

1932

tral

prac-
r. Cox
of the
city.
Clark,
They

part of
making
over 80
ay has
eral of
pected
lacing
of any
stock.
rest in
s con-
terests
nd the
a Cen-
nd the
imited
earned
capital
olders
is be-
will be
uy it,
com-

Captain
Presi-
me he
become
attison
er and
some
ar and
is a
nd has
e. He
feating
reelec-
e elec-
Long-
fice he
within
Patti-
on de-
onally,
leaders
ne will
e com-

board
illiams,
ll con-
ent.
ceeded
nt, will
mpany.
e busi-
round
invalu-
organ-
her as
many
ts, Mr.
to the
t. His
ance is
mpany
One
en the
formed
e com-
im for
ent and
one of
s per-
at the
chair-

Bowers,
nt and

Provi-
host to
party
nd year

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, JANUARY 22, 1932

3 reasons why we expect a successful 1932

Silver Anniversary Jubilee Year

1907 — 1932

**\$3,000,000.00
gain in 1931**

The Peoples Life of Indiana was one of the few companies to show an increase of insurance in force in 1931. Last year, a trying one for most everyone was the best ever enjoyed by "The Friendly Company." Increased production from our agents enabled us to make a net gain of \$3,000,000.00 in insurance in force. We enter our Silver Anniversary Jubilee year enthused by this great record of 1931, knowing that the Peoples Life is organized and equipped to meet all changing conditions.

For a quarter of a century the Peoples Life has been operating as an Old Line Legal Reserve Life Insurance Company. During that time the company has grown consistently and has followed the program of legal reserve life insurance for every insurable man, woman and child at the lowest possible rate consistent with sound underwriting.

A reputation for fairness, security, friendliness, safety and trust has been acquired and is jealously guarded. With a \$3,000,000.00 gain in insurance in force in 1931, and led by the same personnel who have so carefully guided the company for 25 years, our Silver Anniversary Jubilee is certain to be a successful one.

"President's Month"

The first month of our Silver Anniversary Jubilee year is dedicated to Eugene O. Burget. President Burget has been an official of "The Friendly Company" since its organization as a legal reserve company. Like the company of which he has so long been the head, he is closing his first quarter of a century of service to policyholders and agents. It is especially fitting that January of this Silver Jubilee year be designated "President's Month" in his honor because it is also President Burget's birth month.

PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT

INDIANA



AN ADVANTAGE POSSESSED BY TRAVELERS MEN

ONE of the big advantages of the new Family Income Trust Agreement as issued by The Travelers is that it can be applied to many forms of Life, Limited Payment Life, Endowment or Retirement Income contracts. As used by The Travelers it is not confined to one form.

A man of 35 who is married and has children has great need for Life insurance. If, however, he is to make provision for his old age, he must start early in life to make such provision.

This new Family Income Trust Agreement

will not only protect his family, but when sold in connection with a Travelers Retirement Income contract will make an ideal combination of protection for family and income for old age.

The Travelers representative has an opportunity to sell to his prospect a well-balanced Life insurance program affording protection in event of untimely death and a Retirement Income available in case the owner lives beyond age 65, at a *total guaranteed* cost well within reach of the average man.

THE TRAVELERS

Life Accident

Liability Automobile

Health Steam Boiler Compensation

The Travelers Insurance Company

The Travelers Indemnity Company

The Travelers Fire Insurance Company

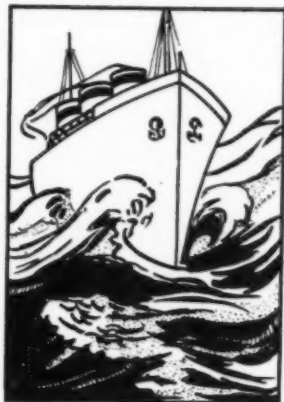
Hartford, Connecticut

Windstorm Fire

Plate Glass Aircraft Group

Burglary Machinery Inland Marine

WELL BALLASTED



STABILITY

N^WNL's enviable stability, as reflected by its Financial Statement, has been built into its structure by strict adherence, in good years and lean years, to sound, conservative business principles.

Stability in a financial institution means the ability to meet not only normal demands but the unusual demands in stormy periods of business depression.

In 1931, the accumulation of N^WNL's current cash income over and above the calls made upon it, enabled the Company to take advantage of favorable opportunities to buy high grade securities, a substantial part of which were U. S. Government Bonds. It closed the year with 43 per cent of its total assets in cash, U. S. Government Bonds, and other readily marketable high grade securities.

N^WNL's impregnable stability is due to its careful, expert selection of investments in fundamental, basic industries, wisely diversified over a broad field, and with varied maturity dates assuring a constant, steady supply of cash for reinvestment. N^WNL's investment portfolio is conceded by those best qualified to judge to be as clean and sound as can be found in any American financial institution.

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

Minneapolis, Minn.

STRONG

LIBERAL

Even in 1931 N^WNL FORGED AHEAD!

Profits Paid Policyholders
1½ Million Dollars

Increase in Assets
3¾ Million Dollars

Increase in Insurance in Force
10 Million Dollars

Income During Year
12½ Million Dollars

FINANCIAL STATEMENT

December 31, 1931

RESOURCES

Bonds—		
U. S. Government	(7.5%)	\$3,452,075.25
State, County, and Municipal	(7.0%)	3,189,072.18
Canadian Governments	(1.5%)	705,599.57
Railroad Bonds	(9.6%)	4,419,520.98
Railroad Equipments	(8.8%)	4,030,775.20
Miscellaneous	(7.4%)	3,413,203.37
Total Bonds \$19,210,246.55 (41.8%)		
Mortgage Loans—		
Farm Loans	(11.5%)	5,283,984.79
City Loans	(12.7%)	5,818,947.60
Policy Loans	(21.7%)	9,972,055.80
Real Estate (Incl. Home Office Bldg.)	(4.3%)	1,982,487.12
Premiums, Due and Deferred	(4.4%)	2,020,635.00
Cash on Hand	(1.1%)	500,214.40
Interest Due and Accrued and Other Assets	(2.5%)	1,131,756.39
TOTAL		
(100%) \$45,920,327.65		

LIABILITIES

Reserve on Policies	\$36,793,899.00
Death Claims Due and Unpaid	None
Claims Reported but Proofs of Loss not Received	244,972.34
Present Value of Death, Disability, and other Claims Payable in Instalments	1,565,973.98
Premiums and Interest Paid in Advance	316,964.04
Reserve for Taxes Payable in 1932	265,000.00
Miscellaneous Liabilities	670,700.54
Contingency Reserves	1,000,000.00
Profits for Distribution to Policyholders	2,310,935.01
Surplus to Policyholders (Including \$1,100,000.00 Paid-in Capital)	2,751,882.74
TOTAL	
\$45,920,327.65	

47th
YEAR

Board of Directors

F. A. CHAMBERLAIN—Chairman
Executive Com., First National Bank

E. W. DECKER—President,
Northwestern National Bank

C. T. JAFFRAY—President,
"Soo" Railway

THEODORE WOLD—Vice President,
Northwestern National Bank

E. L. CARPENTER—President,
Shevlin, Carpenter & Clarke Company

A. F. PILLSBURY—Treasurer,
Pillsbury Flour Mills Company

T. F. WALLACE—President,
Farmers & Mechanics Savings Bank

FRANK T. HEFFELFINGER
—President, F. H. Peavey & Company

O. J. ARNOLD—President,
Northwestern National Life

INSURANCE IN FORCE, \$360,000,000



Photograph by Torkel Korling

GROWING with the GREAT MIDWEST

City Transformed

This is one in a series of advertisements devoted to an exposition of those intangibles which make Chicago "a city with a personality."



The Illinois Life through these advertisements pays homage to Chicago. Being the oldest legal reserve life insurance company, now active, to be chartered by the State of Illinois, and having maintained "headquarters" in Chicago for thirty-nine years, the Illinois Life feels justified in this effort to offset some of the unfair publicity which Chicago has received by presenting a glimpse at the other side of the picture.



Raymond W. Stevens, President

THIS SILHOUETTE OF PROGRESS is forcefully expressive of that spirit which motivates Chicago. Tear down the old! Build anew! Yesterday's results are but stimulants to today's efforts. And tomorrow? Tomorrow a yet greater Chicago. * Those who observe must respect this energy of a city intent upon improvement and betterment. A constantly changing skyline, ever more beautiful, is but one evidence of the civic urge which possesses the people of Chicago. * The past hundred years have witnessed the metamorphosis of a straggling town into a glorious city. Chicago faces the future! And faces it with a vision crystal-clear.

ILLINOIS LIFE INSURANCE CO.

ILLINOIS LIFE BUILDING * CHICAGO * 1212 LAKE SHORE DRIVE

CHICAGO: A GOOD PLACE TO LIVE, A GOOD PLACE TO WORK

Thir
H
Nee
RES
Gove
NE
the p
state
upon
in hi
that
estab
tem."
and
drive
schen
soun
adopt
privat
were
emati
actua
abilit
of pr
future
As
schen
self i
police
Newa
funds
meet
month
sumed
will
specia
Son
New
opera
thorou
Wolfe
result
to me
bilitie
Not
seeing
admin
these
life
metho
secure
Exec
Hon
the a
Comm
Life a
vice-p
agenci
H. A.
ter Cl
Mr.
Course
las Li

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Sixth Year No. 4

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JANUARY 22, 1932

\$3.00 Per Year, 15 Cents a Copy

Half Baked Plans Not Scientific

Need for Actuarial Treatment
Is Seen in Pension
Schemes

RESERVE NOT SUFFICIENT

Governor Roosevelt of New York
Urges the Establishment of the
Contributory System

NEW YORK, Jan. 21.—Criticising the present old age pension law of the state as imposing too heavy a burden upon the taxpayers, Governor Roosevelt in his message to the legislature urged that "immediate study be made to the establishment of a contributory system." The experience of recent years, and more particularly that of 1931, has driven home the fallacy of pension schemes, save those predicated upon a sound actuarial basis. The pension plans adopted by states, municipal bodies and private corporations, for the most part, were prepared by well intended mathematicians, without the aid, however, of actuaries skilled in the science of probabilities and acquainted with the need of proper reserves with which to meet future liabilities.

Many Schemes Have Failed

As a consequence scheme after scheme of this character now finds itself in deep water. A survey of the police and firemen's pension fund of Newark, N. J., has revealed that the funds on hand will scarce suffice to meet the payments due the next two months, leaving wholly uncared for assumed future liabilities. The shortage will have to be made good through a special tax on the citizens.

Some years ago the then mayor of New York, feeling anxious as to the operation of the city's tax plan, had it thoroughly revised by the late S. H. Wolfe, a competent actuary, with the result that the sufficiency of the fund to meet its present and contingent liabilities has never since been questioned. Not a few private corporations foreseeing the difficulties in creating and administering pension funds have had these prepared and handled for them by life insurance companies, the only method whereby their solvency could be secured.

Executives at Cummings Meeting

Home office executives who attended the annual convention of the O. Sam Cummings agency of the Kansas City Life at Dallas, Tex., included J. F. Barr, vice-president and superintendent of agencies; J. A. Budinger, secretary; Dr. H. A. Baker, medical director, and Walter Cluff, educational director.

Mr. Cluff spoke on "A Training Course for New Agents" before the Dallas Life Managers Club.

Vash Young Says the Country Has Too Much Getting Habit

INDIANAPOLIS, Jan. 21.—Vash Young, author and million-dollar producer for the Equitable Life of New York in New York City, faced a banquet audience of over 500 when he had been introduced by Claris Adams, toastmaster, and a much larger invisible audience over radio station WFBM. He caught the attention of his audience at once by claiming that most human beings are much like trained fleas, except that trained fleas get paid money for their foolish antics. By being kept in a confined space fleas get the idea that they can only jump so high, even though they are removed from beneath their low ceiling and accordingly do not attempt to jump higher than experience has taught them to be possible. His talk was a feature of Indiana Insurance Day.

Get Low Ceiling Habit

Human beings, most of them, get a low ceiling habit and do not realize that they are limited only by the sky above if they will exercise their faculties and their ability to attain worthy heights.

"I was a trained flea," he said, "until I discovered that I could jump as high as I am willing to make the effort."

"The trouble with this country today is that we have the 'getting' habit and every so often that habit is rudely interrupted and then we sulk and think everything has gone to smash." People think too much of themselves and what they are going to get out of life. The joy of giving is much greater than the joy of absorbing one's own possessions. As an example he told of seeing a group of little street urchins gathered about one boy who possessed an ice cream cone and was sharing it with the others, passing it from one to the other, and Mr. Young said that the joy on the little fellow's face as he saw his ice cream disappearing was much greater than that on the faces of the boys who were eating it.

Help in Time of Need

"Oh, yeah, you say, that's all very well for kids but we're men. All right," he added, "I'll give you an example from my own experience of how the rewards for an unselfish act came back very definitely." He then told of being called up by a man to come to his office, as he had a family problem that was worrying him greatly. Mr. Young went to his office. The man told him their boy had died and that his wife could not be consoled and was grieving herself sick. He said that he believed Mr. Young could help her with a word of his encouragement and help her to get hold of herself. He went with the man to his home, at some distance and at considerable inconvenience to himself. There was no particular reason why he should have put himself out in this instance but he just went because he wanted to be helpful if he could.

It turned out that he was able to help the bereaved mother to get a saner view of her grief and to control herself, meeting the ordeal of the funeral on the following day with commendable fortitude. Her husband was very grate-

ful but it did not end there, and the outcome was another proof to Mr. Young that the rewards for unselfish service are always sure in some form or another. The brother of this woman was a wealthy publisher. He heard of what Mr. Young had done for his sister and asked him to call. He said he wanted to show his gratitude and asked what a life insurance policy on his fourteen year old boy would cost. Mr. Young quoted on a \$25,000 policy. The man then asked for cost on a quarter of a million and ordered that amount. A day later he raised it to half a million and kept increasing the order until when the policy was delivered it was for a million dollars, the largest policy ever written on a boy of that age. The will to eliminate from one's life the negative and destructive point of view is possible, he declared, as proven by his own experience, and to get a new outlook which will be similar to a new birth.

Talk of Joint Advertising Campaign Comes Up Again

NEW YORK, Jan. 21.—Discussion of the possibility of companies getting together on a cooperative national advertising campaign to combat lapsation has been revived by the efforts of a New York advertising agency. It is understood that a number of western companies have been approached and have consented to go into the campaign provided the support of a sufficient number of the large eastern companies is assured. Chances of fulfilling this condition are regarded as fairly remote. It is well known that the big companies here have long been skeptical of the value of such a campaign.

Lewars Made Manager

C. E. Lewars has been appointed manager of the 400 Madison Ave., New York City office of the Provident Mutual Life, succeeding Paul Loder, who will devote all his time to his Philadelphia agency. Mr. Lewars has been assisting Mr. Loder as supervisor ever since the inception of the agency two years ago. Mr. Lewars went into the coke business after leaving Gettysburg College, later becoming secretary and treasurer of the Portsmouth By-Product Coke Company. He entered the insurance business in 1926 as supervisor of the general insurance department of the Koppers Company in Pittsburgh.

Dawson in St. Louis

Federal Judge C. I. Dawson of Louisville, recently elected president of the Missouri State Life, was in St. Louis the past week to confer with officials and directors of the company. It is probable he will actively assume his new office about March 1. He has a number of important cases to dispose of prior to leaving the federal bench. While in St. Louis Judge Dawson met Superintendent Thompson of Missouri, who was in St. Louis on other business and took the opportunity of becoming personally acquainted with Judge Dawson.

Work Is Major Factor This Year

President Olson of Mutual Trust
Gives Magic Formula
for Success

GENERAL AGENTS MEET

Organization Club of Chicago Com-
pany Holds Annual Meeting, Dis-
cusses Agency Building

A fine presentation of the attributes which will make successful general agents and managers this year was given by President E. A. Olson of the Mutual Trust Life in Chicago at the first annual meeting of the general agents "Organization Club" in that city.

Mr. Olson puts work as the first and most important obligation this year. "Unless a man really will work there isn't any hope," he said. "If I were running a general agency my men would meet in my office every morning at 8 o'clock."

Budget Arrangement

Next, he said, agents' budgets should be arranged right, for if the general agent and agent can determine how much income the agent has to have, then they know how much he has to earn and can arrange a program to that end. Mr. Olson considers this highly important. He gave as an illustration the depressing effect on values of United States bonds from the lack of an adjusted national budget.

"We find that some of the highest grade bonds have been going up the last few days and that United States bonds have been going down," he said. "The reason for this is that the concerns behind the bonds have had an adjusted budget, while the American people have seen no signs from Congress until a few days ago that the government was going to stay within its income."

"Every general agent should be a father confessor of all his agents. The biggest thing in any business is a balanced budget."

Danger of False Pride

"Next I would place the urgent need of doing away with false pride. It is deadly whether it is possessed by the agent or his wife. If an agent has to live in a certain expensive locality and drive a certain costly kind of car, he is traveling on pretty thin ice."

"Of course he must appear neat and clean. He should live in a nice neighborhood, but character is never built by false pride."

President Olson stressed the difference between rigid economy on non-essentials and spending money constructively for growth. He said whimsically that he is "sitting on the first nickel which the Mutual Trust Life made 26 years ago." False pride, he

(CONTINUED ON PAGE 22)

Gain and Loss Exhibit in Statement Form Criticized

VIEW OF DETROIT ACTUARIES

Claim American Expense Table Not Proper Basis—Menge Finds American Men Table Preferable

DETROIT, Jan. 21.—The gain and loss exhibit in the annual statement of American life companies is founded on a wrong premise and should be entirely revised, the members of the Detroit Actuarial Club agreed at the January session. J. E. Reault of Lansing, actuary of the Michigan department, precipitated the discussion by an address on the requirements of the annual statement. President A. A. Speers, actuary of the Michigan Life, presided.

American Men Table Favored

Prof. W. O. Menge of the actuarial department of the University of Michigan reviewed the gain and loss exhibit in the annual statement quite thoroughly at the conclusion of Mr. Reault's talk. He stated that in his estimation the exhibit lacks value in that it is founded upon the American Experience table, which leads to such inconsistencies as an unduly large loss from loading and gain from mortality. He added that many objections could not be overcome unless all states permitted the companies to value on a table such as the American Men table.

Cooperation Is Urged

In answer to Mr. Reault's request that members advise him of any changes they think should be made in the annual statement, it was suggested that the second gain and loss exhibit could be eliminated entirely. Mr. Reault is a member of the committee on blanks of the National Convention of Insurance Commissioners.

A. G. Gabriel, general agent for the Midland Mutual in Detroit and a former actuary, spoke on cooperation between agents and actuaries. The valuation of securities, particularly of bonds, was freely discussed, without any definite understanding being reached. Two new members, Gaylord Nelson, secretary and actuary of the New Era Life of Grand Rapids, and I. Smith Homans, Jr., of the Hollerith Tabulating Machine Company, were admitted.

American Life Convention Committees Are Appointed

President J. M. Laird of the American Life Convention has announced the membership of the various standing and special committees. He has already given the personnel of the aviation, blanks, credentials, departmental supervision, social insurance, and publicity committees. The chairmen of the various committees are as follows: Finance, J. E. Reilly, Old Line Life of Milwaukee; grievances, D. E. Ball, Columbus Mutual; uniform laws, R. B. Cousins, Jr., San Jacinto Life; investments, T. A. Phillips, Minnesota Mutual; medical examinations, Dr. C. B. Irwin, North American Life of Chicago; membership, A. J. McAndless, Lincoln National; next annual meeting, J. J. Shambaugh, Royal Union Life; resolutions, E. O. Burget, Peoples Life of Frankfort; taxes, F. W. McAllister, Kansas City Life; total and permanent disability, Dr. H. W. Dingman, Continental Assurance of Chicago; under-average lives, J. C. Cameron, Great Southern Life; accidental death, L. M. Cathles, North American Reassurance; program, F. V. Keesling, West Coast Life. Mr. Keesling's associates are President Woollen, American Central Life, and Actuary J. G. Parker, Imperial Life of Toronto.

Preliminary Figures on Companies' Total New Paid Business in 1931

	New 1931 Paid Bus.	New 1930 Paid Bus.	Gain in Force, 1931	Gain in Force, 1930
Central States Life, Mo.	\$ 10,882,967	\$ 16,443,466	\$ 18,000,000*	\$ 1,623,630
National Fidelity Life, Mo.	3,713,822	6,402,855	—2,318,113	85,415
Ohio State Life, Mo.	12,764,821	13,028,440	536,183	1,912,156
Hamilton Natl. Life, Cal.	1,454,500	3,280,680	—922,180	1,109,180
Victory Life, Ill.	5,574,402	4,974,621	1,821,050	532,480
Union Mutual Life, Me.	5,629,037	6,501,280	3,200,000	3,900,000
Cedar Rapids Life, Ia.	2,810,456	3,421,751	1,172,970	122,566
Hawkeye Life, Ia.	1,962,900	1,384,800	516,376	136,117
Liberty Life, Kan.	3,400,000	3,442,831	171,905	981,220
Bankers Life, Neb.	12,730,502	16,297,445	—316,056	6,494,882
Confederation Life, Canada.	50,944,995	64,277,743†	12,058,612	31,677,322

*Includes \$24,700,000 Home Life of Arkansas.
†Issued basis.

A. I. U. Can't Buy Stock of A. I. U., Inc., Warner Rules

CINCINNATI, Jan. 21.—The Ohio department, it is understood, has notified the American Insurance Union, Inc., Columbus, to increase its state deposit from \$100,000 to \$200,000 and also has notified the fraternal branch of the A. I. U. that it cannot invest in the stock of the A. I. U., Inc.

A few days ago the attorney general ruled that a fraternal may invest in the stock of another insurance company, provided the stocks are legally classified as preferred, but the Ohio department has taken the position A. I. U., Inc., stock is not "classified as preferred" and such an investment as the fraternal society proposes cannot be carried out.

Last summer officers of the A. I. U. brought about the organization of the A. I. U., Inc., with the understanding that the fraternal policies would be transferred. Capital was originally \$100,000, but in order to qualify in certain states 10,000 additional shares were authorized. Those shares came into possession of the Trans Continental Trust Co. of Chicago, but the sale is being contested by A. F. Coyle, executive vice-president of the A. I. U. The Ohio department refused to permit the A. I. U., Inc., to retire the shares by making repayment to the trust company and now the department has refused the fraternal permission to buy the shares.

Official of Minnesota Mutual Life Advanced



O. J. LACY

O. J. Lacy has been advanced from vice-president to executive vice-president of the Minnesota Mutual Life. Until about a year ago Mr. Lacy was vice-president in charge of agencies when that position was assumed by H. J. Cummings and Mr. Lacy was given responsibilities in other fields.

Michigan Plan for Work in Schools Is Given Hard Jolt

The "Michigan plan" for bringing about instruction in life insurance fundamentals in the public schools, which was given strong approval by officials of the National Association of Life Underwriters at its annual meeting in Pittsburgh, was given a hard jolt when the textbook prepared for use in Michigan high schools was disapproved by W. H. Pearce, state superintendent of public instruction.

"The school is not a place for the promotion of any business enterprise," Mr. Pearce said. "This plan, as outlined to me, is nothing more than an attempt to reach growing children as prospective buyers of insurance. The proposed textbook is 50-50 sales talk. Regardless of any promises that have been made, it cannot come into the schools with this idea."

Place for Training

"I believe there is a place in the schools for more thorough training in investment subjects. If a proper textbook is prepared covering all fields of investments, including bonds, real estate, building and loan associations, banks and insurance, the scheme might have my approval."

The movement was started by the Michigan Association of Life Underwriters nearly a year ago and inasmuch as no suitable textbook was available, one was prepared by Glenn S. Kies of Lansing, general agent Ohio National Life, who was formerly a professor in Michigan State College and has had wide experience in educational as well as life insurance work. The plan in its early stages met with a very favorable response from the educational authorities in Michigan and so many inquiries were received in regard to it from other sections of the country that the National association decided to get back of it and thus make possible the publication of the textbook on a scale which would make it available for use in other states as well as Michigan.

Canadian Sales Congress Dates and Places Announced

Dates and places for this year's sales congresses of the Life Underwriters Association of Canada are as follows: Toronto, Jan. 26-27; Ottawa, Jan. 28-29; London, Feb. 3-4; Niagara Falls and St. Catharines, Ont., Feb. 4-5; Winnipeg, Feb. 22; Saskatoon, Feb. 23-24; Edmonton, Feb. 24-25; Calgary, Feb. 25-26; Vancouver, Feb. 29-March 1.

Among the speakers who will address one or more of the congresses are: J. E. Bragg, director life insurance training course New York University; Paul E. Orr, prominent producer of New York City; H. H. Wilson, Equitable Life of New York; W. J. Dunlop, head of the extension department of Toronto University; Dr. H. S. Thomson of the Canadian Dental Hygiene Council, and Frank M. See, general agent Union Central Life, St. Louis.

Tax Exception for Mutuals Constitutional, Court Says

DECISION IN PENNSYLVANIA

Provision Justified Because of Difference in Destination of Profits in Two Classes

The Pennsylvania law, which excepts mutual companies and mutual beneficial associations from the eight mills tax upon gross premiums meets the constitutional test, the Pennsylvania supreme court has held in Commonwealth vs. Girard Life.

The Girard contended that the act unconstitutionally subjects it to the tax in discriminating between it and the mutual companies in violation of the tax uniformity clause of the Pennsylvania constitution and the 14th amendment of the constitution of the United States.

Issue Is Summarized

The supreme court held that the issue may be thus summarized: Is there a reasonable distinction and difference between stock life insurance companies and mutual life insurance companies sufficient to justify the discrimination in the act? The court thinks there is and that the distinction is even greater than was found by the United States Supreme Court between certain kinds of companies in Northwestern Mutual Life vs. Wisconsin, 247 U. S. 132, where a tax upon one class was sustained. Both kinds of companies are created by the state, the supreme court held, and it has always treated them as separate and different organisms.

The Girard Life argued that the two classes of companies compete for business and their policies are substantially the same. These circumstances, according to the supreme court, may be admitted and not affect the validity of the tax, provided there is a substantial difference between the ultimate destination of the profits in the two types of companies.

Says \$3.50 Was Offered for Inter-Southern Life Stock

Testimony that two weeks before the failure of the National Bank of Kentucky, an offer was made of \$3.50 per share for Inter-Southern Life stock was given in a hearing in the suit brought by the National Bank of Kentucky receiver, against directors for \$14,000,000. That statement was made by W. T. Zur Schmiede, assistant to the receiver and former cashier of the National Bank of Kentucky.

According to the testimony, President Brown of the National Bank of Kentucky told directors that a St. Louis syndicate made the \$3.50 offer and that information came to the attention of R. H. Neill, national bank examiner. The deal fell through and according to Zur Schmiede, the bank president blamed Neill for the collapse of the deal.

If the stock had been sold for \$3.50 instead of \$1.50, the price paid by the Keystone Holding Company, the National Bank of Kentucky, according to Zur Schmiede, would have been clear on the Inter-Southern stock up at the bank as collateral.

Zur Schmiede also told of a loan of \$500,000 by the National Bank of Kentucky to Associated Life Companies, of which, he said, the directors were not advised. The loan, he said, consisted of two \$250,000 certificates of deposit issued to Caldwell & Co., under an agreement that they would never be cashed until the loan was paid.

The annual agency assembly of the Ohio State Life will be held in Columbus Jan. 28-30. On the first afternoon the \$200,000 and \$100,000 Clubs will be organized and managers' conferences will be held.

Missouri State Annual Meeting

Directors Chosen Promise to Give Progressive and Peaceable Administration

SOME NEW FACES SEEN

Judge Dawson Will Assume His Duties as President of the Company, March 1

ST. LOUIS, Jan. 21.—United States District Judge C. I. Dawson of Louisville, Ky., on Tuesday was elected president and associate counsel and a member of the board of directors of the Missouri State Life in accordance with the peace pact reached by the Nims-Watts and the Dorsey-Felss factions. Judge Dawson was elected to the presidency in December when Hillsman Taylor voluntarily submitted his resignation and also retired as a member of the board. The new board of 13 directors was agreed to by the opposing groups in the management.

Present Board of Directors

In addition to Judge Dawson the new board includes:

E. D. Nims, present chairman of the board of directors and also chairman of the board for the Southwestern Bell Telephone Company, St. Louis; F. O. Watts, chairman of the board of directors of the First National Bank of St. Louis; T. M. Pierce, vice-president and general counsel Terminal Railroad Association of St. Louis; Paul Davis, president American National Bank, Nashville; F. L. Williams, St. Louis, a former member of the Missouri supreme court; W. T. Nardin, St. Louis, president Pet Milk Company; Ernest Woodward of Louisville, law firm of Woodward, Hamilton & Hobson, general counsel for the Inter-Southern Life of Louisville, which holds 148,050 shares of Missouri State Life stock, the largest bloc outstanding; Theobald Felss of Cincinnati, president Felss Flour Milling Company, a member of the board for the past 24 years and the largest personal stockholder; M. J. Dorsey, president Keystone Holding Company of Hammond, Ind., and president of the Security Life of Chicago, the Keystone Holding Company through the Security Life controlling the Inter-Southern Life of Louisville; H. S. Tressel of Chicago, secretary Security Life; Stephen Paul of Hallgarten & Co., New York; C. G. Arnett, Louisville, president Inter-Southern Life.

Changes in the Board

Messrs. Nardin and Woodward are the only newcomers to the board, as Judge Williams and Mr. Davis were elected members at the meeting on Dec. 21 at which Hillsman Taylor resigned. W. S. Bransford, Nashville, Tenn., capitalist, and Melvin Emerich of Hallgarten & Co., are the members of the old board who were not reelected.

Under the compromise agreement Judge Dawson was authorized to select three other directors in addition to himself. He selected Messrs. Woodward and Nardin and Judge Williams.

The Nims-Watts faction is represented by Messrs. Nims, Watts, Pierce and Davis, and the Dorsey-Inter-Southern interests by Messrs. Dorsey, Tressel, Paul and Arnett. Mr. Felss is the thirteenth member of the board. In the fight against the Nims voting trust plan Mr. Felss was allied with the Dorsey group but because of his large personal holdings, about 25,000 shares of stock, he is

Stimulate Annuity Sales Since Stock Market Crash

MANY AGENTS ARE ACTIVE

Officials Declare This Has Had an Effect on Production of Insurance Itself

NEW YORK, Jan. 21.—Undoubtedly life insurance salesmen are stressing more and more the use of insurance to take care of one's old age. Retirement income policies, annuities, pension plans, and the like have come to the fore remarkably since the stock market crash because that disaster wiped out the savings of thousands of people. They are getting back to sanity and realize the importance of creating some sort of retirement fund that is substantial and permanent. They appreciate the desirability of having a fund that is not subject to fluctuation. Life insurance therefore appeals as meeting all demands.

Annuities Are Popularized

Annuities have been popularized during the last 18 months. More single premium annuities have been sold than ever. Most of these are purchased with the eye on a retirement fund. It has become in many cases a line of least resistance. As no medical examination is required many are attracted to this form of saving. They may fear a medical examination. At any rate it is a plan easy to sell. Where a salesman has not stood strongly back of a life insurance program pure and simple to take care of retirement he has suggested annuities and the public has yielded. There is no life insurance feature in the annuity. It is an investment proposition. In case of death a company returns the premium with a certain rate of interest.

Undoubtedly the agents in stimulating annuity sales have swerved from the life insurance course considerably. Some company officials attribute the decrease in new business in part to the time of agents consumed in selling annuities. While companies are favorable to annuities, they feel that a life company is primarily in the insurance business and that a retirement fund to be most satisfactory should be linked up with insurance. Every company these days has an attractive retirement program where monthly installments start at various ages. Some company officials hold that perhaps too much steam is being used in the sale of annuities and that it might better be employed in pushing life insurance.

independent of any particular group generally speaking.

The new arrangement gives Judge Dawson control of the affairs, an arrangement satisfactory to all factions. He expects to resign from the federal bench about Feb. 1 but may not be able to devote his entire time to the presidency of the company prior to March 1. It is understood he will receive approximately \$40,000 a year as president.

Besides naming Judge Dawson president of the Missouri State Life, the

(CONTINUED ON PAGE 10)

Sane Optimism Urged Upon National Life, U. S. A., Men

LEADERS HOLD CONVENTION

R. D. Lay and W. E. Webb Headliners at \$100,000 Club Gathering at Edgewater Park

Celebrating its 64th anniversary, the National Life, U. S. A., held its \$100,000 Club Sunny Clime Convention at Edgewater Park, Miss., with delegates from more than 25 states in attendance.

President Robert D. Lay in opening the meeting, said: "I want to express my appreciation to you because you have shown that in face of economic ills and troubles you are able to continue to prosecute the successful sale of life insurance. The year 1932 promises to reward you because I believe we are slowly on the up-grade to better times."

Executive Vice-president Walter E. Webb, gave the key note address when he spoke on "Our Company." Mr. Webb urged the delegates to have sane optimism for 1932 and a return to former days when the life underwriter sold for a need and for protection.

Unparalleled Record

"It is a remarkable tribute not only to our company but to all life insurance companies, that not a single company has suffered serious embarrassment in the face of one of our nation's greatest economic depressions," he said. "There is not another industry with such a record. More and more men and women are turning to insurance as the one certain way to build estates and to conserve their money. We are in a more liquid condition today than ever before."

Mr. Webb praised the agent who has played such an important part in this great accomplishment.

James P. Farmer of Chicago was installed as the new president of the \$100,000 club succeeding A. D. Hemphill of Kansas, who is now first vice-president; R. C. Gibson, Indiana, is second vice-president; F. J. Wood, Illinois, third and S. J. Kopitsky, Missouri, fourth. Honorary vice-presidents are W. H. Fisher, Tennessee; H. V. Kelly, Wisconsin; C. A. Mooney, Ohio and I. A. Wilbur, Michigan.

New Sales Preparations

Talks were given on new sales presentations, five point protection and recruiting plans for the year. A recruiting club is projected for all old agents. There were talks on the unusual opportunities of 1932, new organization work, and practical use of sales preparation.

Among the speakers were Mr. Hemphill, J. S. Barrow of the Barrow-Hemphill agency; F. E. Davis, manager of the Georgia agency; L. A. Freed, W. F. Smith, Dr. W. A. Jaquith, vice-president and medical director, F. J. Wood, Edmund Lamb, J. A. Kissinger, W. A. Milder, G. W. Wolfe, W. H. Fisher, I. A. Wilbur and R. M. Vetter.

The club banquet was the high light of the convention. Addresses were delivered by Mr. Lay, Mr. Webb, other members of the home office staff and several field men.

Disability Muster Now in Majority

Most Companies Have Indicated Future Policy on Benefit

MORE ANNOUNCE ACTIONS

Company Goes Up to Eight Months Waiting Period; Some Retain \$10 Clause

Withdrawal from the liberal disability clauses of the past moved on apace in the last week. There were some novel actions, one company adopting an eight-months' waiting period instead of the usual six-months.

Pilot Life's Action

The Pilot Life continues disability income on a restricted basis of \$5 per month per \$1,000, with six months' waiting period. Present rates are continued. Disability income will be issued on male lives only, ages 15-50 inclusive, and only disability occurring before age 55 is covered. Maximum amount of insurance issued with this clause on one life is \$25,000. Premium waiver will be issued on male lives and on single business women at the old rates until further notice.

West Coast Life

The West Coast will discontinue income disability Feb. 1. The company states:

"In 1930 it is estimated that the life insurance companies lost about \$30,000,000 in connection with the coverage. The past six years the loss of our own company from the issuance of these benefits amounts to \$82,000. A few companies are continuing the benefit on a basis so restricted that in our judgment the practical value of the benefit in selling life insurance to the general body of applicants will be almost eliminated."

Waiver of premium benefit will be continued on the present basis for the time being, but later the agreement and rates will be revised as found necessary. The West Coast urges agents to sell in conjunction with the waiver of premium benefit the regular accident and disease and accidental death or dismemberment policies.

Urges Accident-Health Forms

"There is no waiting period under the weekly accident and disease policies, which pay benefit from the commencement of sickness or injury, except that in the case of women the benefit is payable after seven days' sickness," the company states. "This coverage is practical and it has been found to work satisfactorily, with fewer difficulties than the income disability clause in the settlement of claims."

The Home State Life of Oklahoma City has discontinued income disability but continues premium waiver without change.

The Oregon Mutual of Portland has

(CONTINUED ON PAGE 24)

FIGURES FROM DECEMBER 31, 1931, STATEMENTS LIFE COMPANIES

	Total Assets	Capital	Surplus	New Bus. 1931	Ins. in Force Dec. 31, 1931	Gain In Ins. In Force	Prem. Income 1931	Total Income 1931	Benefits Paid 1931	Total Disburse. 1931
Amer. Life & Acci., Mo...	13,567	5,000	7,135	1,257,000	911,420	112,759	47,671	51,600	11,936	49,478
Amer. Life, Mich.....	17,373,666	500,000	646,966	9,450,151	93,678,266	5,285,111	2,526,734	3,431,920	1,778,324	2,773,622
Cedar Rapids Life	4,436,661	100,000	236,716	2,810,456	24,164,839	122,566	652,267	875,568	346,526	609,009
Equitable Life of Iowa.....	128,815,404	.....	63,248,079	646,765,618	4,262,878	.....	29,386,116	14,382,844	19,684,609	.....
Midwest Life	4,652,297	300,000	207,398	2,267,887	34,923,555	829,476	615,556	895,495	775,712	1,084,914
Mutual Life of Canada.....	125,848,125	.....	12,412,836	53,193,595	513,379,937	29,446,619	18,879,019	27,800,582	9,685,463	13,329,535
National Fidelity, Mo.....	5,892,447	250,000	71,002	3,712,622	35,254,069	2,318,113	1,905,462	1,485,436	432,130	1,016,143
Rockford Life	3,031,078	200,000	87,581	6,367,027	26,392,194	513,547	645,225	806,005	328,975	623,217

Sarver Becomes Chairman of Ohio State Life Board

BRANDT IS MADE PRESIDENT

Three of Founders Still With Company
—Other Changes in Official Staff Announced

COLUMBUS, Jan. 21.—John M. Sarver, president of the Ohio State Life, was elected chairman of the board at the annual meeting Tuesday and U. S. Brandt, who has been first vice-president and general counsel, was chosen president and counsel.

Dr. E. C. Schilling, who has been third vice-president and medical director, was elected first vice-president and medical director. Frank A. Knapp of Bellvue and Stanton G. Prentiss of Columbus were chosen second and third vice-presidents, respectively. Joseph K. Bye was reelected secretary.

Were Among the Founders

Mr. Sarver's retirement from the presidency was due to ill health.

Mr. Sarver, Mr. Brandt, and Dr. Schilling were among the organizers of the Ohio State Life more than 25 years ago. For a number of years, Mr. Sarver served as secretary, later becoming president.

Mr. Brandt has been a director and general counsel since the company was formed, and has served as first vice-president for the last 17 years. Dr. Schilling has been medical director and a member of the board of directors since the company's organization.

Father to Son Letter Gives Advice on Holding to a Policy

A real tip for the conservation of business is contained in a letter written by a father in the life insurance business to his married son who recently took out a policy. George W. Payne of the southern California agency of the Lincoln National Life wrote his son such a message and enclosed it with the policy. A portion of this very human letter, with its warnings against lapsation, follows:

"From time to time in the future you will undoubtedly be more or less intrigued by the glittering promises of other forms of investments and those who tell of enormous profits—which seldom mature. Before falling for any of these schemes it might be well to re-read this letter from your dad, who personally has fallen for some of these things in the past; has taken plenty of wallops as a consequence, and has only your future happiness and peace of mind at heart when he asks you to stick to this contract which will keep its promises to the letter through your life time. Now that you have been fortunate enough to obtain this insurance, stick to it, son, and later in life it will surely stick to you."

South Carolina Premium Tax

The South Carolina supreme court has heard arguments on the issue of when the 1 percent additional tax on insurance premiums becomes effective and has taken the matter up for advisement. The Jefferson Standard Life asked for an injunction against the insurance commissioner, restraining him from collecting the tax for that part of the year before the measure was signed by the governor last June.

Lorick & Vaiden Again Lead

Lorick & Vaiden of Augusta, Ga., general agents for the Missouri State Life in Georgia and Florida, again led the company's agency force in 1931. They have had this distinction for eight consecutive years.

New Kansas, Missouri Managers



BERT A. HEDGES

KANSAS CITY, MO., Jan. 21.—Bert A. Hedges, field supervisor for the Business Men's Assurance, has been made branch manager for Kansas and R. J. Costigan, Kansas City branch manager for the past year, has been made manager for Missouri. The two Kansas Cities now are open territory for the development of both managers.

Mr. Hedges, who joined the Business Men's three years ago as educational director, has for some time wanted to get back into the field. He is widely known as an educator and a writer on



R. J. COSTIGAN

sales topics. He entered the business in 1922 with the Equitable of Iowa, becoming successively district manager, branch manager and educational director for one of the company's large agencies.

Mr. Costigan has been with the company six years, having been made Kansas City branch manager a year ago. He has made a record as an aggressive personal producer and as an agency organizer.

Both Mr. Hedges and Mr. Costigan will have their offices in the home office here.

Clark Tells Benefits of Slump

Paul F. Clark, Boston general agent John Hancock Mutual Life, speaking before the Cleveland Life Underwriters Association last week, said that the insurance business was becoming a regular racket prior to the depression. "We were thinking of the big policy and how much commission it would net. Sales methods were becoming so lax in many lines of business that we were almost discrediting our lines. We were going at a pace in 1927-1929 that could not possibly last. Almost everyone seemed to be connected with some sort of a racket. The loose and selfish methods of life insurance people in many cities would have put us in a bad way if it had continued and there wouldn't have been much of a place for life insurance."

Present Conditions Are Developing Men

The present situation is almost a Godsend to life insurance, Mr. Clark said. Present conditions are going to develop some men in all lines of business who will be better because of it. The depression has shown one thing—that there is only about 5 percent difference between these great "big shots," the financial geniuses, and other people. Thus did Mr. Clark sum up conditions in his talk on "How to Write More and Larger Applications in 1932."

"As a result of the present situation there is time for us to do a little offensive thinking and lay a program out for ourselves in 1932" he said, "taking into account the conditions of 1932. We should take stock of ourselves at the beginning of the year, make new resolutions and get a fresh start. We can not apply the methods of prosperous years. It may mean that we give up more things, concentrate more on our jobs and work harder."

"At various times in history there has been one thing which everybody has wanted. At one time it was Florida

real estate, another western farms, etc., and people went bullish in that direction. In 1927 it was stocks and 1928 and 1929 found a bullish market. Today people are going bullish for money and will sacrifice anything for gold. They have put it in the savings bank, in the safe deposit box and in the sock. Until that money gets back into circulation things won't be much better. In relation to the life insurance business, this has a big meaning. First, people didn't want money protection—they wanted money for what it would buy. Now they want nothing but money. And life insurance is the cheapest way in the world of buying a call on gold—a call on money. This is one of the biggest points to remember in 1932. Life insurance forms the method through which we can make the cheapest call on money ever known to man. That is the reason why life insurance has begun to come up. As time goes on more and more people will realize that through the purchase of life insurance they are purchasing a call on money when they need it the most and at the lowest possible cost."

"Do's and Don'ts" for 1932 Given by Mr. Clark

Mr. Clark offered three "don'ts" and three "do's" for 1932: "1. Don't keep closed mind and ears to the suggestions of others. 2. Don't argue with your prospect concerning a child of his brain but show him the opposite side of the story indirectly. 3. Don't alibi."

"1. Operate on a quota basis. 2. Plan. And, in planning, have some system of prospecting. Two hours a day should be spent in soliciting prospects. 3. Develop and sell more life insurance this year as an investment."

"There was never a time when life insurance, in my opinion, stood on the threshold of such great possibilities as it does today. Build for confidence in 1932."

Preserve Freedom by Ending Abuses, J. C. Kidd Advises

Legislatures rarely pass restrictive measures until it is shown that business has not only failed properly to regulate itself, but has through avarice, selfishness and profligate disregard for the rights of others, permitted conditions to reach an unbearable state.

That was the statement of Commissioner Kidd of Indiana during Indiana Insurance Day. He said that many restrictive measures as to insurance have been enacted because of abuses that have developed in the business or in part of the business. He said that insurance people have much freedom of operation still, but he urged insurance to handle itself properly in its relation to the public in order to preserve that freedom.

Qualification Law Example

Mr. Kidd said that the life agents' qualification law was enacted in Indiana because of practices in the field. Policies were being twisted, he said, untrue and unwholesome statements were being made as to competitive companies. "Policyholders," he declared, "were being misled and the insuring public imposed upon. Companies and agents failing to correct this condition, the qualification law became effective last June and now an agent can hardly mention the name of the competing company to a prospective insured without grave danger of having his license revoked and probably his company criticized."

Mr. Kidd said that it is his desire to lay before insurance people any condition which he believes might lead to prohibitive and restrictive legislation. That desire impelled him to get out the recent circular letter to life insurance agents requesting limitation of initial premium notes to 90 days. He said that some agents were accepting one, two and three year notes in payment of first year premium.

"It seems to us," he said, "that this is a dangerous practice and likely to lead the insurance business far afield. We feel that resulting conditions might bring the legislature into action."

Bryson Leads National, Vt.

John T. Bryson of the R. P. Burroughs New Hampshire general agency was the leading producer in 1932 for the National Life of Vermont. J. A. Wellman, state agent in the Burroughs agency, was the fifth leading producer. Mr. Bryson and Mr. Burroughs have appeared on the honor roll every month for the past two years.

C. C. Gilman of the J. T. Phelps & Co. agency at Boston was the second producer.

The E. B. Hamlin Ohio general agency had the greatest production record among the general agencies. Four of its men are among the first 20 of the best producers. They are Griswold Wilson, E. J. Tyler, E. B. Fisher and T. L. Terrill.

Second on the list of general agencies is Wells, Meissell & Peyser, down town New York agency.

Issues Warning on Twisters

The Ohio department is urging policyholders to scrutinize carefully all suggestions to surrender policies which have accrued values in exchange for new policies in other companies. The department says it has received many complaints in regard to the exchanging of policies and that such exchanges have invariably resulted in losses to the policyholder. The notice says, "Beware of such exchanges as they usually bring grief to the policyholder." The department asks that report be made to it of agents who are engaging in "such improper and illegal practices."

A PICTURE IN FIGURES

of the

Kansas City Life Insurance Company

KANSAS CITY, MISSOURI

Home Office—3520 Broadway

Condensed Statement, December 31, 1931

RESOURCES

First Mortgage Real Estate Loans.....	\$36,864,436.27
Real Estate Owned (Including Home Office)	4,515,329.63
Policy Loans	18,567,115.23
Premium Notes	722,791.12
Bonds	7,820,086.62
Loans Secured by Collateral.....	53,109.52
Cash and Certificates of Deposit.....	425,476.92
Accrued Interest on Investments.....	1,539,260.46
Market Value of Bonds Over Book Value	26,242.44
Net Premiums in Course of Collection and Deferred	2,184,706.94
TOTAL RESOURCES	\$72,718,555.15
Less Credits Thereon.....	174,749.50
ADMITTED RESOURCES	\$72,543,805.65

LIABILITIES

Legal Reserve	\$60,883,894.00
Policy Claims	308,361.00
Present Value of Annuities and Installments	1,417,139.00
Interest, Rents and Premiums Paid in Advance	431,621.24
Unpaid Current Bills.....	58,954.60
Set Aside for 1932 Taxes.....	300,000.00
Paid-up Capital.....	\$1,000,000.00
Assigned Surplus to Policyholders	1,327,273.33
Other Assigned Funds....	600,000.00
Unassigned Surplus	6,216,562.48
Total Surplus Funds to Protect Policyholders	9,143,835.81
TOTAL	\$72,543,805.65

INVESTMENTS

The Kansas City Life Insurance Company owns \$36,864,436.27 of first real estate mortgage loans, on which less than 10% have past due interest.

The Kansas City Life Insurance Company owns \$7,820,086.62 of municipal bonds, on which less than 1% have past due interest.

The Kansas City Life Insurance Company **does not own** a single dollar's worth of drainage bonds, corporation bonds, real estate mortgage bonds, railroad bonds, foreign government bonds, common stocks or preferred stocks, and has no partnerships.

The immediate future policy of the Investment Department of this Company will be the same as in the past, viz., when in funds for investment, the Company will invest in real estate mortgages and government and municipal bonds, and **in nothing else**.

New Insurance Issued During 1931 - - - - - \$ 73,359,838.00

Total Insurance In Force December 31, 1931 - - - - - 423,569,331.00

J. B. REYNOLDS, PRESIDENT.

C. N. SEARS, SECRETARY.

J. F. BARR, VICE PRES. & SUPT. OF AGENTS

Life Policy Sold as A. & H.; Must Pay for Disability

AGENT MISREPRESENTED FORM

Texas Court Holds Insured May Collect Under Contract He Thought He Owned

When a life policy is delivered to an insured under the representation on the part of the agent that it is a life, health and accident policy, the court may render a judgment for the assured in accordance with the contract, which the assured thought he owned. That was the declaration of the Texas court of civil appeals in reversing judgment for the American National and remanding for new trial the case of Huey vs. American National. It means that disability benefits may be collected although there were no disability, health or accident features to the policy.

The court of civil appeals held that Huey was a common laborer who knew nothing of insurance policies. The body of the policy contained tables, conditions and limitations of liability which the lay mind could scarcely be expected to understand. The American National according to the court, cannot urge negligence as a defense against misrepresentation of its agents; nor that it was the duty of the insured to inquire into their truthfulness.

While the rule obtains that one who accepts the policy without defense is presumed to know its contents, he can overcome such presumption by showing that he put it away without reading it, in reliance upon the representation of its agents and upon the knowledge of the integrity of the insurer correctly to draw the policy.

The minds of the parties never met on the contract, the court emphasized, and it was never a binding contract. It is not necessary for the contract to be reformed in order to allow a recovery. The court may render a judgment in accordance with the true contract as proven.

Budinger Places Second

E. J. Budinger, general agent of the Franklin Life at Chicago, came out second as far as his agency was concerned in paid for business last year, his production being \$1,551,000. Jenkins & Boyle of Clarksdale, Miss., general agents there, were first. Mr. Budinger in addition to supervising his agency writes a large personal business, he being fourth among all the producers of the company last year.

Impostor Examined; Can Contest Claim After Two Years

An insurer is not barred by the incontestable clause from contesting a claim when the policy was issued following the physical examination of an impostor, who represented himself as being the applicant. That was the decision of the United States district court for the southern district of New York in Maslin vs. Columbian National Life. A motion on the part of Maslin for summary judgment was denied.

One of the defenses of the Columbian National was that its agent conspired with the insured, who had been suffering from tuberculosis to get insurance by fraud and that Maslin gave fraudulent answers on his application. The court held that the incontestable clause bars defense on this ground, but not on the ground of alleged impersonation of Samuel Maslin by another, who assertedly took the physical examination.

College President Gives Thoughts on Being a Life Company Officer

WHITE RIVER JUNCTION, VT., Jan. 21.—Somewhat intimate revelations of the experience of a college president becoming an insurance executive were made by Dr. John M. Thomas, vice-president National Life of Vermont before the Loyal Club, which is the woman's club of White River Junction. After 22 years as a college president—head of Middlebury College, Pennsylvania State College and Rutgers University—Dr. Thomas became vice-president of the National Life at Montpelier.

After a year and a half in his new post, Dr. Thomas declared he has found that he has not made so radical a change as he first thought, for the business of a college president of today is almost wholly executive rather than professional.

Secrets of Success Same

"I have found that the secrets of success are the same as the insurance executive's. Namely, organize, systematize, subdivide, define. Get the right man in the right place and keep him cheerful," Dr. Thomas said.

"All in all I am having the time of my life as a life insurance home office executive. My experience has been so happy that I recommend to any college president staggering under the load of planning his annual budget to look up a good life company which may have need of his powers of leadership. I find, as vice-president of the National, the same stimulating variety of duties and experiences as I found in the college presidency.

Presents Variety of Problems

"The investment policy and practice of a life company present daily a wide variety of problems, and the financial side of the business in itself offers for activity of the most alert and serious student. At the same session of the finance committee one may be asked to vote on questions involving judgment as to the prospects of agriculture in Iowa, the ability of communities in North Carolina to sustain the rate of progress maintained during the past decade in that ambitious commonwealth, and the probable effect on the bonds of a public utility company of the agitations of a demagogic governor. Even in a life company of medium size a constant influx of premiums and the payment of matured loans and bonds compels the

investment of more than \$50,000 a day.

"To sit in with the group of men responsible for this trust is to be impressed that life insurance touches American industrial and commercial life in countless ways. One who takes conscientious part in this phase of the business will find himself no less earnest in the study of finance than the hardest workers in the university department of economics. The opportunity for a constantly growing mind is one of the great rewards of life. Such opportunity is certainly presented to a life insurance executive who shares responsibility for the financial policies of his company.

Not Going on Rocks

"The American family is not going on the rocks," declared Dr. Thomas in sketching the magnitude of present day life insurance business. "Sixty-eight million Americans own life insurance; 54 percent of the population owns it, as compared with 17 percent in 1906. One hundred nine billion of insurance is now in force. Sixteen and one-half billions of new insurance was purchased during the past year, only 13.2 percent less than in 1930, but 9.5 percent above the ten year average. There was paid out in 1931 by American life companies \$950,000,000 to beneficiaries, \$780,000,000 to living policyholders for dividends, endowments and disability and \$770,000,000 in surrender values, making a total of \$2,500,000,000. This is \$230,000,000 more than in 1930.

"America is in an impregnable position for the very reason that it leads the world in insurance which is the great stabilizer of that greatest of all institutions, the American home."

Women Study Insurance

"Women," he said, "are beneficiaries under more than 90 percent of the insurance policies now in force. This is evidence enough that not all families are going on the rocks. The National Federation of Women's Clubs has a department devoted to the study of insurance for women and employs a full time secretary, Miss Lakey. It is oddly true that some women spoil sales of insurance from their prejudices. They 'just don't like to think of it.' But it is a part of the business of every prudent man and it is a mistake to restrain him from such an investment unless the amount of insurance is out of proportion to his income."

National Life U. S. A. Officials Attended Agency Convention



ROBERT D. LAY
President



WALTER E. WEBB
Executive Vice-President

Stock Ownership Discussed at Commissioners' Session

MEMPHIS PLAN IS CONSIDERED

Five States Represented at Meeting on Inter-Southern's Holdings in Missouri State

LOUISVILLE, Jan. 21.—Little or nothing could be learned regarding the program discussed by representatives of five insurance departments meeting in Louisville, to further a program discussed at Memphis, Tenn., Jan. 2, having to do with a plan for getting the Inter-Southern Life of Louisville to reduce its holdings of Missouri State Life stock.

The meeting was fully attended by Commissioners Bush Allin, Kentucky; J. S. Read, Oklahoma; A. D. DuLaney, Arkansas; John L. Kidd, Indiana; Joseph I. Reece, Tennessee, and it was reported by one of the conference members that no action was taken and that the matter was left in abeyance for a period of 45 days, it being planned to hold another conference March 1.

May Create Syndicate

The sessions were executive. It is understood that the commissioners have a fairly well outlined program whereby it is understood that a syndicate would be available for taking over portions of the block of stock held by the Inter-Southern in the Missouri State Life over a period of years, until it would have at least divested itself of such large holdings in one company, but the general program has not been clarified in any particular. Just how it could be worked out to the satisfaction of the commissioners, the syndicate, and the Inter-Southern, along with the owners of the Inter-Southern, is a big question, as it stands to reason that an outside syndicate would be without favor in the eyes of the Inter-Southern or the Security Life.

Big Drive in New York

NEW YORK, Jan. 21.—Life agents here are working at top speed, each doing his part to roll up a total for Life Insurance Day which will exceed any single day's production in the history of insurance selling.

Starting with a monster rally at 8 a. m., they are packing as many calls as possible into the day. Right up to midnight they'll be working to bring in the applications, for the executive office of the New York City Life Underwriters Association will be open until that time to receive reports.

Two cups will be presented to the high scoring men, one to the agent writing largest volume of business, the other to the one writing the greatest number of lives.

Permanent Disability Case in Rhode Island

What constitutes permanent disability is expected to be decided eventually by the Rhode Island supreme court as a result of the suit of A. Grennon, Woonsocket real estate broker, against the Metropolitan Life, which went to trial Jan. 18. Mr. Grennon had disability income of \$25,000 of insurance. The company did not question the totality of his disability from December, 1928 to June, 1929, but it contended that his nervous breakdown was not of a permanent nature. Counsel for the plaintiff said the word "permanent" was ambiguous, and that in cases of ambiguity the rule has been to find in favor of the insured. It is expected that the case will go to the state supreme court. There are a number of similar suits now pending in Rhode Island.

Annual Statement Figures Are Scanned with Great Interest

President F. P. Manly of the Indianapolis Life in presenting its annual statement shows that its insurance in force is \$107,219,884 as compared with \$103,366,749 a year ago. Its assets are \$13,835,759 as compared with \$12,004,977. The policy loans are \$2,726,326 as compared with \$1,983,698. The company has \$7,761,665 in mortgage loans and \$1,211,950 in bonds. Its contingency reserve is \$65,000, its dividend reserve \$282,300 and its net surplus \$660,324 as compared with \$621,927. Its new business last year was \$19,765,424 as compared with \$23,452,101 a year ago. It paid \$460,548 in dividends to policyholders, being an increase of \$43,770 over a year ago. Its death claims were \$432,995. Its mortality ratio was 43 percent; its income was \$4,224,498, increase \$580,368. It has paid to policyholders since organization \$8,865,926. The Indianapolis Life always gives a good account of itself.

Home Life of New York

The Home Life of New York in its new statement shows an increase of \$3,500,000 in assets, nearly \$100,000 in unassigned surplus, \$200,000 in security fluctuation reserve, nearly \$500,000 in premium income and \$4,400,000 in insurance in force. The assets are now \$79,149,252. The reserve set aside for security fluctuation is \$600,000, which covers the difference between values of preferred and common stocks as of June and Dec. 31. The funds set aside for policy dividends are \$2,460,000, increase \$50,000. The directors approved the continuance of the same dividend scale for 1932. The surplus is \$3,164,575. Its insurance in force is \$404,490,591, premium income \$11,962,498. Of a normal expected invested income of \$2,830,000, only \$18,303 was unpaid.

American Life of Detroit

The American Life of Detroit has issued its financial statement showing assets \$17,397,336. Its legal reserve is \$14,943,327. It sets aside \$100,000 as a reserve contingency out of its 1931 earnings. Its capital is \$500,000 and its net surplus \$646,967. This exhibit shows the company to be in excellent financial condition.

The Peoria Life paid for \$37,090,555 new business in 1931, making the insurance in force \$203,240,377. The assets are \$23,600,000, showing an increase of 7 percent in 1931.

The assets of the Guaranty Life of Iowa increased from \$6,292,941 in 1930 to \$7,021,686 in 1931. Its insurance in force now totals \$49,000,000.

The All-States Life of Alabama increased its business in force \$2,000,000 in 1931, making a total of \$21,000,000. The assets increased from \$850,000 to \$1,100,000 and its premium income increased from \$227,056 to \$315,628.

Seaboard Life of Houston

The Seaboard Life of Houston in its annual statement shows assets \$850,973, policyholders' surplus \$254,640, income \$393,000, insurance in force \$16,380,000. It paid policyholders last year \$196,328. It gained 6 percent in new business, 12 percent in insurance in force, 20 percent in assets, 24 percent in total income. No principal or interest is in default. Its mortality ratio was 55 percent. The largest gain in new business was in the home office or Houston agency, which showed 40 percent for the year.

The Kansas City Life has presented its new statement showing assets \$72,543,805, capital \$1,000,000, assigned surplus to policyholders \$1,327,273, other assigned funds \$600,000, unassigned surplus \$6,216,562, policyholders surplus \$9,143,835. The Kansas City Life states that it owns \$36,864,436 real estate mortgage loans on which less than 10 percent interest is past due. Its municipal bonds are \$7,820,087 on which less than

1 percent have unpaid interest. Its new business last year was \$73,359,838 and its insurance in force \$423,569,331. It paid policyholders last year \$6,928,731. The Kansas City Life states that its investment policy will remain as it has in the past, it investing in real estate mortgages, government and municipal bonds and in no other kind of securities. The Kansas City Life therefore comes out with one of the strong financial statements of the year. It is one of the well managed companies of the country.

Federal Life's Showing

Free surplus, comprising unassigned funds for contingencies, of \$264,287 is shown by the Federal Life of Chicago in the financial statement presented at the annual meeting. All officers were reelected. The statement shows excess security to policyholders \$710,542, of which \$375,000 is capital and \$71,255 is surplus provisionally applied to life policies. The Federal now has \$133,414,319 life insurance in force, a decrease of over \$10,000,000 in 1931.

Accident and health premiums in the year were \$2,752,202, a reduction of between \$150,000 and \$200,000. Anthony Wieland, assistant treasurer in charge of accident and health underwriting, was elected to the board.

The Home State Life of Oklahoma City in its new statement shows an all-around increase in assets, surplus and insurance in force.

Lincoln National Life's Most Valuable Producer

H. E. Campbell of the Campbell & Campbell agency, Columbus, O., has been adjudged the most valuable producer of the Lincoln National Life for 1931.

This honor is determined by a very definite set of rules. They cover not only the amount of paid business for the year but also include a persistency factor. Accordingly, the winner of the title "most valuable producer" must have an excellent lapse ratio as well as a large volume of business.

In recognition of his work, Mr. Campbell's name will be carved on the massive Indiana limestone wall of the home office building lobby in Fort Wayne, Ind. In a space specially reserved, the names of the most valuable producers during the second 20 years of the Lincoln National's history are commemorated in stone.

The many other end-of-the-year honors won by Mr. Campbell mark him as a life insurance producer and general agent constantly alive to the opportunities of the present. He secured first place among the national leaders of his company in paid-for business, personal production for the entire year, a similar place for December; and first place for his agency, of which he is the junior member, in paid-for business for December in competition with agencies the country over.

Second honors in the race for recognition as Lincoln National's "most valuable producer" went to Clyde Chaddick, San Antonio, Tex.

Bankers National Agency Contract

The Bankers National Life of Jersey City has adopted a so-called "equal right" agents' contract, similar to the one that the Bankers National Life of Denver had in effect. It provides not only substantial first-year commissions on personal business, but also carries with it the privilege of recommending other agents for appointment. In this way the Bankers National states that it is free from office and clerical expense and can expand through the medium of its own producers.

New York Life Is On the Air



THOUSANDS of congratulatory letters about our radio programs have been received. The purpose of these broadcasts is primarily to promote the conservation of insurance; and the Company hopes that life insurance, in general, as well as the New York Life will benefit.

The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:

9:30 Eastern Time.....	New York	(WJZ)
" " "	Boston	(WBZ)
" " "	Springfield	(WBZA)
" " "	Baltimore	(WBAL)
" " "	Richmond	(WRVA)
" " "	Rochester	(WHAM)
" " "	Cleveland	(WGAR)
" " "	Pittsburg	(KDKA)
" " "	Detroit	(WJR)
" " "	Cincinnati	(WLW)
8:30 Central Time.....	Chicago	(WENR)
" " "	St. Louis	(KWK)
" " "	Kansas City	(WREN)
" " "	Council Bluffs, Ia.	(KOIL)



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

3 years old, \$44,000,000 in force

1. This Company paid for \$19,000,000 its first year, 1929.
2. Second year lapse 5½%.
3. 1931 lapse 8½%.
4. Total in force of \$44,000,000, and the low lapse shows good selling methods and high degree of policyholder satisfaction.
5. Gain in force over \$8,500,000 in 1931.
6. Assets doubled in 1931.
7. Investments of the Company are in highest grade bonds.
8. Writes exclusively in Illinois.
9. Sells ordinary, 20 pay, 20 year endowment, and Endowment at 65, and group term.
10. All contracts participating.

Country Life Insurance Company

608 South Dearborn Street
CHICAGO, ILLINOIS

AMERICAN LIFE INSURANCE COMPANY

CLARENCE L. AYRES, PRESIDENT

DETROIT

25th YEAR FINANCIAL STATEMENT

December 31, 1931

ASSETS

First Mortgages on Real Estate (Worth in each instance double the amount loaned).....	\$10,774,503.35
Municipal Bonds.....	431,540.88
Policy Loans and Renewal Premium Notes (Net).....	4,118,986.02
Real Estate (\$369,233.77 sold on contract).....	1,177,407.37
Cash.....	138,460.05
Interest Due and Accrued.....	438,931.31
Deferred and Uncollected Premiums (Net).....	317,507.02
Furniture, Underwriting Equipment, Fixtures, Vaults and Supplies (All charged off).....	None
Agents' Debtor Balances.....	None
Non-Admitted Assets.....	None
TOTAL NET ASSETS.....	\$17,397,336.00

LIABILITIES

Reserve for All Policies in Force, Including Disability Reserve.....	\$14,943,327.12
Reserve for Installment Trust Benefits Not Yet Due.....	662,600.82
Reserve for Present Value of Disability Benefits Not Yet Due.....	241,959.50
Reserve for Unpaid Claims Awaiting Proofs.....	84,174.00
Reserve for Premiums and Interest Paid in Advance and Dividends Left on Deposit.....	96,540.40
Reserve Funds Apportioned and Set Aside for Annual Dividend Policies.....	32,079.47
Reserve for Agents' Credit Balances.....	8,942.10
Reserve for Taxes.....	43,801.97
Reserve for Other Liabilities.....	36,943.76
Reserve for Contingencies (Set apart out of 1931 earnings).....	100,000.00
Cash Capital.....	\$500,000.00
Surplus Above Capital.....	646,966.86
Surplus to Policyholders (After all legal liabilities and "Reserve for contingencies").....	1,146,966.86
TOTAL TO BALANCE.....	\$17,397,336.00

Holgar Johnson Sees Loans As Normal

Life insurance men should not be unduly disturbed by the loan situation, according to Holgar J. Johnson, who addressed the Chicago Association of Life Underwriters this week. Mr. Johnson is general agent of the Penn Mutual at Pittsburgh.

Mr. Johnson held that making loans on policies is a function of life insurance, just like paying death claims. The life policy provides guaranteed reserves in a period of emergency and the company must expect them to be drawn on.

A very large percentage of the insurance now in force has been put in force in the last 10 years. Most of the policyholders have had no experience with life insurance other than the payment of premium. They have taken on faith the statement of the agent that the company would perform, and justifiably so.

Buyers See Value

Most of these insurance purchasers have not had the experience of seeing a death claim mature close to their own home. Few, if any of them, have seen anyone retire on the maturity of life insurance. During the past two years, many of these insurance owners have actually seen where individual estates have been saved through the ability to borrow on their only guaran-

teed reserve assets, their life insurance contract. Likewise many people with actual need for food, shelter and clothing because of unemployment have found reserve values in the life insurance contract a means of providing these things which were not available under any other circumstances, thereby bringing these people face to face with an actual experience which has created an enthusiasm on the part of the life insurance buyer which will mean that, during the next five to ten years, the institution of life insurance should be faced with a tremendous growth.

Means New Selling

Many of these buyers find themselves with a decreased earning power and an inability to adjust their standard of living to the same extent, thereby leaving a smaller margin available for the purchase of any investment program or any program guaranteeing future security. This means that life insurance will have to be sold on the basis of its necessity as well as its desirability. There is no question but what the investment feature of a life insurance contract is the best investment in the world for the average man. There is no question of the stabilizing influence of the reserve built up in a life insurance contract.

Far Reaching Decision on Premium Payment

Acceptance by an agent of the first premium on a life policy binds the company, regardless of the fact that the applicant pays that premium after the application is written and before the policy is delivered, it was ruled by the Minnesota supreme court in Lueck vs. New York Life.

This ruling is believed to start a dangerous precedent. It is seen by insurance legal authorities as leaving, theoretically, no limitations as to the extent an agent may go in interpreting or representing a company's contracts. By these limitations, company officials feel, both the agent and company are protected against unintentional and intentional exaggerations or misrepresentations by agents.

No Fraud Involved

Had not the case in question been one in which the premium was both paid and collected in good faith, with no evidence of fraud, it is reasonable to believe, said a Minneapolis official of the New York Life, that the court would have upheld the company's otherwise inviolable rule—that the initial premium must be paid at the same time as the declaration is signed by the applicant in which he assents to the terms of the receipt then rendered him by the agent. This procedure immediately binds the company, providing the company finds the applicant insurable at the time of making the application. The receipt itself represents the cash toward the payment of the first premium when the policy is delivered.

A summary of the case reveals that Ernest Lueck was seeking to recover the benefits of a policy taken out by his son, Arnold, May 14, 1928. At the time the application was signed and secured, the applicant was unable to pay the first premium, but agreed to do so the next day.

Binding Receipt Withheld

The application was sent in without the first premium payment, so, the insuring company contends, it had no binding effect. On paying the premium the next day, the boy's father asked for a receipt, but the only receipt the agent was authorized to give was attached to the application already en route to the home office for approval. In court, the agent testified, he explained

to the applicant's father that this was a company rule and that he (the applicant's father) would have to take his word for it.

In the interim the application was approved at the home office and a policy issued on May 18. It was returned for delivery but not delivered. On May 17 the insured was injured, and died a few weeks later.

The case was tried without jury, and the court held that a contract had been entered into when the insured, by his application, had made an offer, and the company, by its acceptance, had made the two parties to a contractual agreement. Though no declaration was signed or receipt given, the court said, the requirement as to cash payment was substantially complied with.

Missouri State Annual Meeting

(CONTINUED FROM PAGE 5)

preelection slate of 13 directors was named by the stockholders at the annual meeting. The directors also elected Harry S. Tressel executive vice-president; Theobald Felss, chairman of the board, and E. D. Nims, chairman of the executive committee. All other officers were reelected.

Mr. Tressel is vice-president of the Security Life and Northern States Life but now will give most of his time to the Missouri State. His is a man of fine business acumen, has a keen sense of administration and possesses splendid ability. He will move to St. Louis.

Missouri State Figures

The annual report shows the company as of Dec. 31, 1931, had \$1,124,483,380 of insurance in force and assets of \$154,944,350. In 1931 it paid for \$157,237,348 of new business. In addition to the \$5,000,000 capital the company closed the year with surplus of \$1,040,652, a contingency reserve for investments of \$500,000 and apportioned for policy dividends \$1,024,301.

James Elton Bragg, who conducted an interesting "school" on Indiana Insurance Day, was born in Indianapolis in the old Stewart hotel which was located on the site just north of the Claypool hotel where the sessions were held. He still has several cousins residing in Indianapolis.

An up-to-date selected list of good life insurance books, including all those recommended for C. L. U. study, will be sent on request. Address The National Underwriter Company.

Federation Plans Educational Work, Coffin Announces

NEW FEDERATION OFFICERS

President—Ralph L. Colby, general agent Franklin Life, Indianapolis.
Vice-President and general chairman of Indiana Insurance Day, 1933—C. O. Gray, state agent Hartford Fire, Indianapolis.
Vice-Presidents—H. A. Luckey, general agent Life Insurance Company of Virginia, Indianapolis; R. C. Griswold, manager Aetna Casualty, Indianapolis; Stuart Bishop, manager Travelers, Indianapolis; Alexis Coquillard, local agent, South Bend; John C. Johnson, state agent Pennsylvania Fire, Indianapolis.
Treasurer—A. L. Riggsbee, Fletcher Trust Company, Indianapolis.
Secretary-Counsel—Joseph G. Wood, Indianapolis.

A program of insurance education for the producer and the public is contemplated by the Indiana Federation, President Ross E. Coffin announced during Indiana Insurance Day.

"It is our dream," Mr. Coffin declared, "to build the membership to such a point that we can maintain a correspondence course in all branches of the insurance business. In this way any member of your office would be in a position to broaden himself on any particular line he saw fit to choose."

An assistant was employed to help the secretary-counsel of the Indiana federation and thus the federation is in a position to provide its members with even more insurance information than before.

During the last session of the Indiana legislature, Mr. Coffin reported, 16 bills affecting life insurance were introduced; eight fire; 23 casualty, and eight general. Twelve of these, none of which were adverse to insurance interests, became laws. There are no selfish motives in the legislative program of the federation, he said, the desire being to support good legislation and oppose inimical legislation. The federation never proposes any individual legislation.

Plea for Membership

Mr. Coffin made a plea for membership, pointing out that if most of the 50,000 Indiana agents were enrolled, mighty influence could be wielded.

The annual meeting of the Federation was held at the close of the afternoon session.

A. L. Riggsbee gave his report as treasurer.

J. W. Stickney reported as councillor to the insurance department of the United States Chamber of Commerce. This organization, he said, is of practical value to the insurance business in general.

A resolution was adopted calling upon insurance people to take an active part in the election of legislators, supporting "conscientious candidates."

Another memorial indorsed a public relations program, whereby representative insurance people would be appointed to present insurance topics before gatherings of business men.

Ross Coffin then presented the Chandler Trophy Cup to Herbert Luckey as the Indiana "man who had been of most outstanding value to insurance generally during the past year."

Mr. Luckey, as the president of the Indianapolis Association of Life Underwriters was instrumental in increasing the membership by a higher percent than any other life underwriters association in the country.

Fred Dickerman gave the report of the nominating committee. Following are the new members of the life insurance advisory board:

P. W. Simpson, general agent Aetna Life, Indianapolis; Elbert Storer, manager Bankers Life of Iowa, Indianapolis; H. L. Rogers, general agent Equitable Life of New York, Indianapolis; E. A.

Crane, general agent Northwestern Mutual, Indianapolis; Russel Solomon, special agent New England Mutual, Fort Wayne; L. C. Kigin, general agent New York Life, Terre Haute; F. M. Dickerman, special agent Prudential, Indianapolis; J. C. Snyder, supreme chief Tribe of Ben Hur, Crawfordsville; J. D. Volz, national director Modern Woodmen, Indianapolis.

INSURANCE DAY NOTES

Charles Adams of Detroit, vice-president of the American Life, presided as toastmaster at the banquet. A large assemblage, including many outside of insurance circles, enjoyed his graceful eloquence. Mr. Adams is a native of Indianapolis and is always certain of a cordial reception. He introduced the speaker, Vash Young, million dollar producer Equitable of New York. The address was broadcast over WKBF.

Charles G. Taylor, vice-president Metropolitan Life, address the Rotary club Tuesday noon. He reminded his hearers that life insurance has been functioning throughout the past two years and that life insurance policies are among the few possessions that have retained 100 percent value.

Roy Lathrop of the State Mutual Life in Minneapolis left this week for El Paso, Tex., on his vacation. He will attend the annual agency convention of the State Mutual at Biloxi, Miss.

Bragg Conducts "School" at Indiana Insurance Day

WIDE INTEREST IS DISPLAYED

Life Section at Indianapolis Meeting Is Led by New York University Educator

Simultaneously a fire and casualty section and a life section were conducted, both on the morning and afternoon of Indiana Insurance Day at Indianapolis. The life section opened at 9 o'clock with over 400 present, significant of the interest of life underwriters in the program that had been prepared for them.

The general theme of the life section was, "Presenting Life Insurance From the Buyer's Point of View." An all-day school was conducted by James Elton Bragg, director of the life insurance training course, School of Commerce, New York University. Mr. Bragg used a blackboard to visualize his presentation of the subject.

His "course" was in effect, a series of lectures in which he brought out the buyer's point of view as to life insurance and the human needs that are covered by life insurance.

How life insurance serves the living policyholder, his beneficiaries and various life values also was emphasized.

Mr. Bragg analyzed the handling of the small and large cases and various plans for selling life insurance.

The importance of being equipped with information about prospects was stressed, and ways to establish contact with prospects were presented.

Other speakers before the life sessions were Elbert Storer, president National Association of Life Underwriters, an Indianapolis man, and Indiana Insurance Commissioner John C. Kidd.

L. C. Kigin, of Terre Haute, president of the Indiana Association of Life Underwriters, presided, assisted by Ralph L. Colby, general chairman.

The attendance at the life sessions taxed the capacity of the assembly room, which will accommodate over 500 persons. Many present made copious notes and intense interest prevailed throughout the day.

The central Ohio agency of the Massachusetts Mutual, Frits A. Lichtenberg, general agent, held its annual meeting in Columbus Jan. 16. Speakers were J. C. Beham, second vice-president, and J. M. Blake, director of field service, from the home office.

INDIANAPOLIS LIFE INSURANCE CO.

FRANK P. MANLY, Pres.

EDWARD B. RAUB, Vice-Pres. & General Counsel

Growing

Steadily



1931

Total Assets	\$14,037,138.00
Increase, 1931—15.17%	1,849,269.00
Surplus	725,324.00
Increase, 1931—5.59%	38,397.00
Dividends Paid Policyholders, 1931	460,548.00
Death Claims Paid, 1931	432,944.00
Mortality 26 Years 40%—1931, 35%	
Income, 1931	4,224,498.00
Increase over 1930	580,567.00
Total Paid to Policyholders and Beneficiaries since organization	8,865,926.00
Total Paid to and Invested for Policyholders Since Organization	22,903,064.00

To men of character and ability we offer an opportunity to build a permanent business for themselves. Managers contracts direct with Home Office, for as much territory as can be profitably handled.

Operating in Indiana, Illinois, Ohio, Michigan, Texas, California, Florida, North Carolina, Iowa, Minnesota and Kentucky.

For Agency Write the Company.

FINANCIAL PROBLEMS

Confident Connecticut General to Lose No Farm Loan Principal

Confidence that no loss of principal on its farm loans will be suffered by the Connecticut General was expressed by President R. W. Huntington at the annual conference. The Connecticut General, like many of the other companies this year, is satisfying the newly developed interest of agents in the investment position of their companies, and the companies in general with the dis-

cussion of that question.

"When the market will revive we do not know," Mr. Huntington declared. "We know that the price paid under foreclosure of a mortgage is not more than 50 percent of the original valuation and such interest, taxes and expenses as had accrued. We know that farm products and land have been low before and, while the situation is uncomfortable, entailing much work and a temporary loss of income, we see no reason to think we shall not eventually come out of it without any loss of principal."

Mr. Huntington defined the depression as the typical aftermath of every great war, accented by the fact that through

the use of improved machinery the country has suddenly become able to make more than it can use. He expressed belief that progress will be made in solving the problems of over and under production and that adjustments will be made to the complications of the machine age so that, on the whole, employment will be regular and comforts greater than ever before.

Mr. Huntington said that until a short time ago the agents did not have much interest in investments, but when stocks had a spectacular rise in 1927 and 1929, there was a general interest. "In fact, there was here and there some feeling," he said, "that those responsible for the financial management of the company were missing the opportunity of a lifetime."

Keeping Out of Trouble

Although the management has always played as safe as possible in financial matters, Mr. Huntington said that so far as his vision extends, it is not possible to have sufficient foresight always to keep completely out of trouble and still earn a fair rate of interest.

The agricultural situation is the source of the greatest trouble, he said. Since 1876, he declared, farm loans have been made with success. There were foreclosures from 1892 to 1897 and in 1896 10 percent of the Connecticut General's assets was in foreclosed farms. Prices of produce were low. He said that about then the Connecticut General sold a farm on contract and agreed to take payments the next year in corn at 25 cents a bushel. At that time corn was 13 or 14 cents and farmers were burning it in stoves. Next year corn was 40 cents and the Connecticut General got its payment in cash. He said that the company held most of its land until 1901 when it began to sell and in that year and the next most of the land was disposed of without loss.

Stopped Farm Loans

The Connecticut General, he said, now has practically stopped making farm loans. Many farms have been taken under foreclosure, but competent supervisors are keeping these farms in good condition. Most of them have tenants. Some of the larger ones the company has been operating itself. A few are not worth operating and these have been charged off or sold.

Foreclosures in city real estate have been very few and investments in that field have produced a reasonable income, he said.

Bond and stock investments are in about the same shape they were when purchased so far as income is concerned, he said. The vast increase in policy loans is regrettable, but the collateral is unquestioned.

"The business has come through every crisis in a way to win more favorable consideration than ever before," Mr. Huntington concluded. "It is a good business to be in in good times and in poor times. Do what you can for it, for it has done well for you. Every time you do a good job, you are doing something for insurance as well as for yourself and your client. Adapt yourselves to the circumstances as you find them and don't waste any time waiting for good times. If you do good times will be here for you."

Great West Life Tells About Its Investments

The Great West Life of Winnipeg in its new statement shows investments in city mortgages embracing practically every important Canadian city from Vancouver to Montreal amounting to about \$30,000,000 and exceeding by over 50 percent its farm mortgage investments. In the last year its interest collections totaled over 92 percent of all interest, whether past due or falling due in the year. Where interest was in default satisfactory arrangements have been made to liquidate the arrears on a monthly basis. The Great West Life

MR. YOU »»»»

During the past few months we have been telling you about our **ORGANIZED SALES PLANS**.

As further evidence of the success of this plan, The Minnesota Mutual enjoyed, not only the greatest volume of regular business it has ever enjoyed during its December "Randall Month," but production of regular business during 1931 exceeded the production of this class of business for any one year since this Company was organized in 1880.

Any man intent upon success cannot afford to pass up the opportunity the **ORGANIZED SALES PLAN** offers.

If interested, fill in the coupon below and mail to



**The Minnesota Mutual Life Insurance Co.,
St. Paul, Minnesota**

I am interested in your **ORGANIZED SALES PLAN**. Please give me full particulars.

Name.....

Present Occupation.....

Address..... City and State.....

The National Underwriter

Sales Possibilities Undeveloped in Maryland!

**We Have Some of the Best Counties in the State Open!
Generous Contract—Full Policy Service
Sincere Home Office Cooperation**

Let Us Tell You Which Are the Best Counties and Why.

George Washington Life Insurance Company
CHARLESTON, WEST VIRGINIA
HARRISON B. SMITH, President

city mortgages uniformly provide for annual principal reductions. In a majority of cases these reductions were made during the year even in the face of difficult times.

General Manager Ferguson's Comment

In a recent talk General Manager C. C. Ferguson, in commenting on the company's financial affairs, said at the outbreak of the war the Great West invested substantially in Canadian government bonds. Since then it has continued investing not only in government, provincial and municipal bonds and debentures, but in Canadian and United States public utility issues. It recently bought \$3,000,000 of the national service bonds from the Canadian government. Some years ago the Great West extended its city mortgage investments to eastern Canada. Mr. Ferguson said that city mortgages have been standing up remarkably well during the depression.

The Great West Life, he said, has avoided investment in bonds of foreign countries. It has only a negligible

amount of stocks, another class that has been avoided. Mr. Ferguson said that the chief influence of the depression so far as the Great West Life investments are concerned has been felt in connection with farm mortgages, which have been influenced by the experience of western Canada in the last two years. He said, however, there is a strong probability that western agriculture will come back fast, and if only a fair price for a good crop is obtained in 1932 investments in farm mortgages will be in a satisfactory condition so far as this company is concerned.

Mr. Ferguson said that the Great West Life has had to face very much the same consideration so far as policyholders' dividends are concerned as it did the time of the influenza epidemic. The war claims also were a factor. Since the end of 1920, with its surplus reinstated, it was able to resume a higher dividend scale. It hopes that the dividend reduction will apply only to 1932 and that a normal position will be reached as soon as possible.

Company President's Comment on Annual Statements Interesting

Life insurance executives are greatly interested in reading the reports of presidents of companies in which they analyze the investment situation with regard to their own institutions as well as some of the other features that are of vital importance these times. President J. B. Reynolds of the Kansas City Life in his comment declared that too much of the money of this country has been invested in foreign bonds and securities, although the life companies have not invested in such securities to any extent. It is the banking fraternity, he said, that has made these investments. The life companies, however, he said, have had to do the banking business of the country for the last two years because other capital has been withdrawn and invested in foreign securities.

Income Disability Clause Cost

In speaking of the restrictions as to the income disability clause President Reynolds said that anything in life insurance that cost the companies the amount of money that income disability has and is costing them today should not be included in a policy.

One point that President Reynolds made is of interest when he said that he did not think that there has ever been a time more opportune to put some agents in the field on a high brokerage contract with no renewals than today. There are many who could be brought into the life business who need an immediate return. He said it is safer for general agents from a financial standpoint to place an investment in them in excess commissions than to have an investment in cash advances. Business so written he said will renew just as well as business written on a renewal commission contract.

Getting Back to Work

President Reynolds said that there will be no radical or revolutionary changes in his company. He said that from all indications life insurance is back to the prewar period of ordinary or straight indemnity. People during the heyday period got out of the habit of working. Now they are getting down to work and there will be results forthcoming.

The Kansas City Life policy loans are about 25 percent of its assets, an increase of 8 percent during the last three years. He said there is great lapse and waste in policy loans. Cash surrenders during the year have been heavy and Mr. Reynolds thinks they will continue to be so for some months to come. Cash surrenders were more than the death losses during the year for the Kansas City Life. About \$15,000,000 went off

the books by cash surrender. In a number of instances he said bankers advised policyholders to borrow on their contracts or surrender them and often such money was deposited in the bank of the man who made the recommendation.

Vice-President Torrens in his report showed total net loans of \$69,287,491 of which \$36,864,436 were mortgage loans, \$18,567,115 policy loans, \$7,820,087 bonds and the rest miscellaneous. The Kansas City Life, he said, does not own any drainage, corporation, railroad or foreign bonds, common or preferred stocks. Of its farm mortgages 90 percent are in good standing. Of the \$7,820,087 municipal bonds all are in good standing except \$76,000. From the start of the Kansas City Life to Jan. 1931, the net loss on account of real estate loans, bonds and other investments was \$7,804.

Real Estate Owned

At the present time the company has in the neighborhood \$4,500,000 real estate owned including the home office building. This is less than 50 percent of the capital and reserve and does not affect the policyholders. All farm property owned, he said, is rented except four farms, for amounts sufficient to pay taxes and upkeep. On such farms as the company has sold it has just about broken even. Other farms could have been sold but a loss would have been incurred. All policy loans amounting to \$13,241,157 during 1930 and 1931 were paid without delay. No securities were sold or no money lost to meet the unexpected demand. The company increased its investments \$5,100,794 in spite of the tremendous outlay. Mr. Torrens said that its investment policy will be to buy real estate mortgages, government and municipal bonds and nothing else. Real estate, he said, is a basic security.

Tells of City Loans

Vice-President Wood Arnold in speaking of city loans said that that amount is now \$12,771,500. These loans have been made in the larger centers. For instance it has \$7,674,000 in Kansas City; \$1,266,000 in Oklahoma City; \$332,500 in Ponca City, Okla.; \$1,509,000 in Dallas and Ft. Worth; \$299,870 in Nashville; \$117,416 in Springfield, Mo., etc. Of this amount there have been only five foreclosures. There are in course of foreclosure four other loans. The foreclosed properties are all residences with the exception of one piece of business property. The amount invested in city property yields an average interest rate of 5.52 percent. The company, Mr. Arnold said, had not entered the speculative field embracing the large apartment units, family hotels,

(CONTINUED ON PAGE 22)

The Six I's of Success for 1932

1. INTEGRITY—square shooting when it hurts.
2. INDUSTRY—working hard after ten turn-downs.
3. INSPIRATION—enthusiasm transmitted to prospects.
4. INTELLIGENCE—using the old grey matter vigorously.
5. INITIATIVE—doing the right thing without being told.
6. INTENSITY—wide-awake attention to any sign of interest.

DIRECTIONS for USING

Mix in equal portions and use on the right type of prospects.

Results guaranteed by

THE MIDLAND MUTUAL LIFE INSURANCE CO.

Columbus, Ohio

"Its Performances Exceed Its Promises"



THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager;

NORA VINCENT PAUL, Vice-President; WILLIAM A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Asst. Managing Editor
FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
DALE R. SCHILLING, Associate Editor

PUBLICATION OFFICE, 41946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Tel. Parkway 2140. RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958
GEORGE A. WATSON, Associate Editor

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
A. J. EDWARDS, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
204 Atlanta National Bank Building.
W. J. BATH, Resident Manager

NEW ENGLAND OFFICE
139 Summer St., Weymouth, Mass., Tel. Wey. 2158-R.
J. M. DEMPSEY, Resident Manager

Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill. Under Act, March 3, 1879

Subscription Price \$3.00 a year; in Canada, \$5.50 a year. Single Copies 15 cents.
In Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada \$10.50

Member Audit Bureau of Circulations

Service of the Industrial Agent

THERE is no greater potential power for recovering from the hard times than that contained in a good industrial life insurance company. This is shown by the Dec. 31 reports of those industrial companies which are known to have aggressive and well organized forces of agents.

The industrial man has every advantage over the so-called ordinary agent. In the first place he is engaged in supplying a great need, probably the greatest in any field of business endeavor, the protection of millions who are not so well-equipped financially that they can afford to pay their life insurance premiums on the annual plan. It is true that the average industrial agent also sells ordinary and he should invariably sell ordinary where the policyholder can afford to pay for it, but primarily the industrial man is dealing with the great majority of the population, who when death comes, have very little else than insurance money with which to pay doctors' bills, funeral expenses, etc.

In what greater work can a man be engaged than in inducing people to save through life insurance so as to bridge the family over the inevitable catastrophes and disasters that are the common lot? True, he must be conscientious and take his work seriously. He should realize that every dollar he collects is hard-earned and that it should be applied in the best life insurance way. An agent, for instance, who will load up a family with a big industrial debit when that family can afford to and will pay annually is not working conscientiously or for the good of the industrial insurance. Indeed, industrial insurance is seriously open to criticism if it over insures on the industrial plan, when the cheaper ordinary plan can be sold.

The industrial agent is truly engaged in a great work. He builds the foundation for American life insurance by go-

ing out among the homes and seeking out the nickels and dimes and quarters that would probably be spent otherwise for something much less important than life insurance protection. It has long been pointed out that he is one of the great educators of thrift for the American people. Even if he does not sell a policy he has reminded people who are likely to be forgetful that thrift and protection against inevitable misfortune are essential.

In the ordinary business elaborate programs are worked out for building estates through life insurance and protecting against the various contingencies of life but the industrial man, for the reason that he deals in small amounts, is not inclined to present his program covering these contingencies in the same way, although it is much more essential that it be done with a man and family who are in much greater need of life insurance than the people who have already buttressed themselves by a liberal accumulation of this world's goods.

What America needs today is a reeducation in thrift and economy and these are the basic principles of industrial insurance. Unfortunately, many industrial agents are not conscientious enough in dealing with their clients. They may overload them for the sake of making extra commission or, as pointed out, they may sell industrial where ordinary insurance should be placed.

From the standpoint of the agent himself, he has a wonderful field because most agents can write not only industrial but have the same opportunity as the ordinary agent to write ordinary also. There are two factors which many an industrial agent is apt to forget in considering the advantages of his position. The first is that he is given adequate supervision and direction by his company. No ordinary company helps its agents and insists on worthy performance as do the industrial companies. In the industrial business an

agent has the benefit of supervision of a deputy superintendent as well as the larger direction of the superintendent or manager. The industrial system keeps him from wasting his time, which is the great bane of the ordinary agent. The industrial salesman must be on the job early every morning and work through the day and furthermore he is given definite direction and instructions what to do; he knows what he has before him every morning for the day. The second advantage is that he has a living income merely from the collections on old business and he has the opportunity of working by well tried out methods a definite territory in the industrial sections of the city, where he does not have to waste time dashing about in an automobile or by street car from one end of the city to the other to see this or that prospect. He saves much time in not having to work as the ordinary agent does!

An ordinary agent feels himself lucky if he has four or five prospects to see each day. He is proud if he can write one new policy a week. He sits at a well-equipped desk in some large office or even has a private office of his own. The average well-equipped industrial office looks like a class room. There is a little desk for each agent which he seldom occupies except for a few minutes each day. He spends his time out among the people in a small district and probably sees each day from five to ten times as many people as does the ordinary agent. He makes daily reports on his work and he is checked up by his superiors so that even if he is not a good manager of his own time normally he is compelled to put in his time to the best advantage.

He has the advantage of seeing peo-

ple in their homes, where life insurance is most appreciated, and he often works at night calling on his prospects, joining the family circle and talking over the family's financial problems. Through his industrial business he secures an entrée much more easily and readily than the ordinary agent can in his solicitations.

The "prestige for the right to talk" is a great slogan in ordinary circles. This means that the agent must build himself up and spend a great deal of time merely for the purpose of securing an interview. The industrial system provides that an interview can very readily be secured by a good agent without much time wasted in building "prestige." Here again the industrial agent has the advantage.

It is because of the industrial system that the industrial companies as a rule are going ahead much faster than the ordinary companies. Their great armies of well organized agents are capable of meeting any situation such as the current depression. The need for life insurance among the masses of people is a very real one and those who buy industrial insurance know only too well how important it is that there shall be at least some protection in case of death.

The industrial man is strategically well placed in the insurance system and is bound to grow in importance. It will make little difference whether in the future the great masses of the public buy their life insurance on the ordinary or on the industrial plan; in either event, the industrial agent is the only life insurance man who may reasonably expect to sell that part, the major part, of the American public which needs life insurance the most.

PERSONAL SIDE OF BUSINESS

Henry S. Nollen, president of the Equitable Life of Iowa, was installed worshipful master of Moingona Masonic lodge at a special meeting Jan. 18.

Fred W. McIntosh, Chicago manager for the Monarch Life, was elected Monarch of Aryan Grotto, M. O. V. P. E. R., of Chicago. Mr. McIntosh is very active in Masonic affairs in Chicago and his elevation came after years of service with the order. Mr. McIntosh is bereaved by the death of his wife Ethlyn G.

The agency force and the management of the Security Life of Chicago have erected in the cemetery at Naperville, Ill., a handsome memorial in tribute to the late S. W. Goss, who for more than 20 years was its vice-president in charge of agencies. It is a stone of Barre granite. The inscription in addition to Mr. Goss' name reads: "Eloquent in speech, richly endowed in heart and mind, his was a life that will ever be cherished by all who came under his influence." The inscription, "Erected by the agency force Security Life Insurance Company of America," is placed on the side of the monument. A committee of agents gathered together the fund for the memorial.

Paul Woods, an agent connected with Hobart & Oates general agency of the Northwestern Mutual Life in Chicago, is gaining much renown as a baritone soloist over radio station WGN. He sang at the Hobart & Oates banquet Monday evening, scoring a great hit. Then there is another singer from the

home office, a tenor, he being no other than Assistant Superintendent of Agents W. Ray Chapman. He also sang at the Chicago function and then the two presented a duet. Both received many plaudits.

Arthur C. Burnett, who went to San Antonio in 1909 as resident vice-president of the Aetna Casualty & Surety, later the senior member of Burnett, Williams & West general agency, Tulsa, Okla., (1929-1930), and more recently with the life department of the Aetna Life, has been elected vice-president and director of underwriting for the Great American Life of San Antonio, Tex.

J. C. Cummings, executive adviser of the Equitable Life of Iowa, celebrated his 80th birthday Jan. 15. He has been disabled during recent weeks. He has served the company for more than 41 years. He was its secretary and then its president. He retired from the presidential chair 13 years ago. He was one of the builders of the Equitable Life.

P. C. Campbell, district manager for the Philadelphia Life at Danville, Pa., has just completed his third year or 150 weeks of consecutive production. Mr. Campbell started as a part time agent in 1926 and has been on a full time basis since 1929. He is a graduate of Bucknell University class of 1922.

J. L. Atkins of Durham, N. C., agency manager of the Bankers Life of Iowa, was second in the field of production last year with \$506,000. The leader was

J. H. Rowe of Chicago with \$683,501. Mr. Atkins submitted new business totaling \$180,000 the last week of the year. Mr. Atkins is a consistent leader.

Dr. Charles F. Hunter, manager of the Miami, Fla., office of the Pan-American Life, died as the result of a fall while visiting one of his agencies. He had been manager of the Miami office since 1928.

Dr. Hunter fell down coming from a store at Canal Point, Fla., and broke his hip bone, causing complications from which he died, in the Jackson Memorial hospital in Miami. He had a wide acquaintance in many states. He was 69 years of age. He was at one time a Methodist clergyman.

L. D. Cavanaugh, executive vice-president, Federal Life, Chicago, and **George Barmore**, superintendent of agents, are on a three weeks' swing through the southwest and Pacific Coast where they are conducting regional meetings. Meetings are to be held at Oklahoma City, Dallas, Houston, Los Angeles and San Francisco, and, on the return trip, at Denver.

Neil D. Sills is celebrating his 30th anniversary as state manager at Richmond, Va., for the Sun Life of Canada. Mr. Sills was an agent for the company at Kalamazoo, Mich., when he was transferred to Richmond as manager in 1902. The Richmond office has seen a net increase of more than \$25,000,000 since he took charge. He is a former president of the National Association of Life Underwriters and also a past president of the Richmond association.

W. L. Throckmorton, 60, superintendent

of the Bankers Mutual Life at Evansville, Ind., was found in a garage at his home after lying unconscious and near death several hours from the effects of carbon monoxide gas. He was in a serious condition, but it is believed he will recover. A partly opened door of the garage through which the air circulated is believed to have saved his life.

Roy F. Watson, leading producer for the Midwest Life of Lincoln, Neb., has secured permanent possession of the silver cup offered by the company, winning it three years in succession. He is now in his seventh year of consecutive weekly production.

Harry D. Emmert, general agent of the Northwestern Mutual Life at Tulsa, Okla., has been granted an airplane pilot's license by the United States Department of Commerce.

Karl L. Brackett, general agent for the John Hancock Mutual Life at San Francisco, has been awarded a prize of \$100 in the recent contest for the best essay on the virtue of the new Buick automobiles, following the introduction of the new models.

E. H. Hix, Mississippi general agent for the Mutual Benefit Life, has been elected a member of the board of governors of the Jackson, Miss., University Club.

C. G. Arnett, president Inter-Southern Life, was called to his old home, Sylva, Ga., by the death of his father, Rev. Hamilton J. Arnett. Dr. Arnett, 83 years old, had been a Baptist minister for 60 years. He was a Confederate veteran and an officer of the Georgia Baptist Association.

LIFE AGENCY CHANGES

Badenoch Named in Boston

Becomes General Agent of Northwestern Mutual, Succeeding
L. E. P. Smith

Benjamin H. Badenoch, personal producer who has been connected with the Hobart & Oates general agency of the Northwestern Mutual in Chicago since early in 1916 and has had a highly successful experience there, has been appointed Boston general agent of the company, effective March 1.

He will succeed **L. E. P. Smith**, who has been the Northwestern Mutual's Boston general agent for many years. The Boston office has been managed by the Smith family for a long time, as Mr. Smith succeeded his father to the business. Mr. Smith is retiring to devote himself to his personal business.

Mr. Badenoch before going with the Northwestern Mutual was for two years connected with the Reliance Life.

Western & Southern Changes

W. H. Hein, formerly of Akron, O., has been placed in charge of the Cleveland west office of the Western & Southern Life.

The Rochester, Pa., district office has been moved to Beaver Falls. All of the employees in Rochester will be transferred to Beaver Falls and will operate Aliquippa and Ambridge from that city. **T. J. Morrison** is in charge of the office.

R. M. Miller, formerly of Richmond, Ind., has been placed in charge of the Elkhart, Ind. district office.

R. C. McKay

The Midwest Life of Lincoln, Neb., has appointed **R. C. McKay** of Pine Bluff, Ark., general agent for that state, which it is entering as of Feb. 1. Mr. McKay has had a number of years' successful agency experience, part of it as a general agent.

Mayer to Agricultural Life

Crown Life Manager at Flint, Mich., Takes Detroit Post-Taunt Is Successor

Walter C. Mayer, who has been manager for the Crown Life of Toronto in Flint, Mich., for the past six years, has resigned to become general agent for the Agricultural Life of Detroit in the Detroit metropolitan area. Quarters in the home office of the Agricultural Life have been allotted to the new general agency. Mr. Mayer plans to build up an agency of from eight to ten men, with a production upwards of \$1,000,000 annually. He resigned as president of the Life Managers Association of Flint upon his removal to Detroit. In 1929 and 1930 he was president of the Life Underwriters Association of that city.

John C. Taunt, who has been associated with the Crown Life in Flint for the past three years, has been appointed general agent to succeed Mr. Mayer. Mr. Taunt has been one of the largest personal producers for the company in his district.

Roy P. Roberts

Roy P. Roberts has been appointed manager of the Des Moines office of **H. O. Wilhelm & Co.**, representatives of Northwestern National Life in southwestern Iowa and Nebraska. He will have charge of the agency's Iowa territory, 31 counties in all. Mr. Roberts was the leading producer in the Wilhelm agency in 1931, accounting for a paid-for total of \$465,865.

P. J. Hennessey

Col. P. J. Hennessey, formerly with the Fidelity Union Life at San Antonio, Tex., who produced more than \$500,000 of business in his first six months as a life underwriter, has been appointed metropolitan agency manager of the

No. 13 of

ATLANTIC ADVANTAGES

An enthusiastic meeting of Atlantic's General Agents at the Home Office in January has marked the path for agency building in 1932.

ATLANTIC LIFE INSURANCE CO.

Richmond, Virginia

Angus O. Swink, President

Wm. H. Harrison, Vice Pres. & Supt. of Agencies

Honestly, It's the Best Policy

WASHINGTON BICENTENNIAL 1732-1932

W. L. MOODY, JR.
President

W. L. MOODY, III
Vice-President

W. J. SHAW
Secretary

SHEARN MOODY
Vice-President

J. B. MILLS
Asst. Vice-President

AMERICAN NATIONAL INSURANCE COMPANY

HOME OFFICE:
GALVESTON, TEXAS

Assets \$45,616,098.00

Surplus 7,085,859.53

ORDINARY—INDUSTRIAL

We Have Openings for Live Men in

California	Kansas	Minnesota	South Carolina	Virginia
Colorado	Kentucky	Missouri	Tennessee	West Virginia
Georgia	Michigan	North Carolina	Texas	Washington

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Special Low Premium Plans

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

OLD REPUBLIC CREDIT LIFE INSURANCE COMPANY

BEN I. RAPPORT, President

La Salle Street and Wacker Drive - Chicago, Ill.

The Old Republic Credit Life Insurance Company is looking forward to 1932 with a well planned, carefully worked out program of General Agency development.

We offer an unusual General Agency contract to men who are interested in their future—who would grow with a growing company with an aggressive expansion program which provides for Home Office assistance in the appointment and education of new agents.

WE OFFER:

Policies on all plans, ages 0 to 65
Non-medical
Disability and Double Indemnity
Special Thrift Plan, Coupon Policy
Monthly Plan
Juvenile with waiver on purchaser
Family Income
Modified Life Expectancy
Educational Course
Home Office Training School

Territory available in

Ohio Minnesota Missouri

Write O. J. Classon, Superintendent of Agencies
221 No. LaSalle Street, Chicago, Illinois

1932

SPARTA—rearing her young sons under the iron hardships of famine, exposure, and violent physical suffering in order to produce soldiers who could stoically withstand injury, pain, and the wasting ravages of hunger and thirst that struck down their less-hardened opponents—what a mother of Titans!

America—now emerging from the painful yet purging economic punishments of 1930 and 1931, cleansing fires that literally drove business into more shrewdly calculating management that wrings the last penny of profit from every dollar invested, and a citizenry schooled to the wisdom of true thrift with the fruits of employment—what a land of opportunity for courageous men and women!

1932 extends a promise that, unlike the prophecies of other years, is pledged to sound progress and lasting profit because the foundations upon which workers will build is of the solidity of rock—not the treacherous sand of an ephemeral prosperity.

**AMERICAN
CENTRAL
LIFE
INSURANCE COMPANY**
Indianapolis

Continental National Life of Denver in charge of San Antonio and southwest Texas.

G. L. Vaughan

A second ordinary agency in Chicago has been created by the Victory Life of that city and G. L. Vaughan has been made manager. The other home office agency is managed by J. A. Howard. The Victory Life is making a successful effort to convert its industrial men into ordinary agents and its industrial business into ordinary.

H. L. Minton

H. L. Minton has been appointed associate manager of the Travelers in Milwaukee. He has been with the Travelers since 1924 when he was appointed field assistant at Oklahoma City. In 1926 he was made assistant manager there and went to Milwaukee early in 1931.

David W. Donley

David W. Donley, life manager at Philadelphia for the Travelers for the past nine years, has resigned. Mr. Donley, a native of New England, formed his original connection with this com-

pany at Worcester, Mass., followed by two years as manager at Peoria, Ill. He is vice-president of the Philadelphia Association of Life Underwriters and chairman of the managers and general agents committee.

Paul Johnson

Paul Johnson has been appointed manager of the Midland Mutual Life of Columbus at Cincinnati, succeeding R. M. Robinson. He is now district agent of the Massachusetts Mutual at Mansfield, O.

Life Agency Notes

The United States Life announces the appointment of C. F. Joyce Co., 126 Pearl St., Buffalo, N. Y., as general agents for western New York.

The Inter-State Life & Accident has appointed W. T. Brinson, former manager of the Gulf States, Mississippi supervisor of agencies.

G. E. Nowotny of New Braunfels, Tex., has been appointed general agent of the Amicable Life. He has been in life insurance for over five years and was connected with the Alamo Life, which was recently purchased by the Amicable.

J. E. Slaughter, Jr., Louisville, a personal producer with H. J. Powell general agency of the Equitable Life, has been sent to Lexington, Ky., as district manager.

LIFE COMPANY CONVENTIONS

Volunteer State Convention

More Than 100 in Attendance at Gathering at Miami — Many Company Executives on Program

More than 100 agents and company executives attended the convention of the Volunteer State Life at Miami, Fla. Commodore A. L. Key, president, opened the sessions with an address of welcome. J. W. Bishop, manager of the home office agency in Chattanooga, who has been identified with the company for 25 years, spoke on "Prospecting." J. M. Smith of Memphis and Eli Goldberg of Houston discussed "How I Secured Prospects."

Other speakers were H. H. Mansfield, agency secretary; T. S. M. Bloodworth, agency auditor; Seneca M. Gamble, advertising manager; A. V. Mazingo, agency vice-president; Dr. J. B. Steele, medical director, and L. Brackett Bishop, past president of the National Association of Life Underwriters and former Chicago general agent for the Massachusetts Mutual Life.

Midwest Life Agents Meet

Fifty agents from the states in which the Midwest Life of Nebraska operates were in attendance at the two day annual agency convention in Lincoln. The sessions were in charge of V. L. Thompson, recently appointed sales and agency director, with E. C. Hodder leading health and accident discussions. Using the depression to sell life insurance was one of the topics discussed. President W. W. Putney presented the year's plans. Wednesday a meeting for general agents only was held, at which the man power problem, how to take the measurement of a general agency and supervision of sales promotion were discussed.

Ohio State Makes Plans

The Ohio State Life is completing plans for its annual agency meeting which will be held in Columbus Jan. 28-30. On the afternoon of the first day, the \$200,000 and \$100,000 clubs will be organized and the managers will hold conferences. There will be a speaker at the banquet this year, but it is expected that most of the time will be devoted to round table discussions by members of the organization and talks by officers of the company.

Peoria Life Agency Meeting

Managers and Supervisors Held a Conference to Talk Over Plans for the Year

Agency leaders of the Peoria Life convened at the home office for their annual conference to consummate and coordinate plans and methods for 1932. About 50 supervisors and agency managers were in attendance.

The general topic was the development and maintenance of the field. As announced at the opening session by President May, it was the intention to make this meeting a concentrated school of instruction on the duties and problems of agency management. The program and all details of the meeting were prepared by Vice-President Walter E. May, who presided as chairman.

Records Were Analyzed

The production and renewal records of every agency were displayed on charts and analyzed by Vice-President May. These figures revealed gratifying progress by the agents in 1931, as well as for the company as a whole. New paid-for business submitted during the year was in excess of \$37,000,000. Assets increased by nearly \$1,500,000 for a total of \$23,600,000. The mortality experience was 49 percent of the expected.

The president's cup was won by the agency of W. G. Phelon of Michigan, which reported 168 percent of its assigned quota. The D. C. Siegrist agency of Illinois was awarded the conservation trophy by a renewal record of 84.2 percent on second year business, and the service trophy for total renewals was captured by the agency of John D. LaRue, which showed 91 percent renewals on the entire business of one of the company's oldest and largest Michigan district agencies.

Secretary Pattison Spoke

The stability of life insurance was emphasized by G. B. Pattison, secretary and actuary, who pointed out that public opinion has come to look upon life insurance as the most steadfast and dependable form of investment available, and practically the only type of security which commands universal confidence. Dr. F. A. Causey, associate medical director; P. F. Bourscheidt, assistant secretary, and George J. Kloppenburg, agency director, discussed various phases of company operations with respect to cooperation by home office and

field. T. H. Young, agency supervisor, and Lynn S. McCoy, agency director, led the consideration of problems of agency development and supervision.

Training of new men was presented by T. E. Rogers, W. E. Starrett and C. B. Rowley, supervisors respectively for Michigan, Illinois and Pennsylvania. State Manager W. H. Logan of Nebraska analyzed the advantages of agency meetings and bulletins stimulating agency activity. The most effective practices in agency visits, promotion of sales contests and stimulation of new business production were outlined by M. W. Dancy, California supervisor; R. M. Halgren, Indiana state manager; L. R. Stevens, Texas supervisor, and E. B. Seidel, Iowa supervisor. A round table on the subject of conservation was directed by T. E. Rogers and several department heads having charge of this phase of the business.

The meeting closed with an address by President Emmet C. May, who voiced the general sentiment when he declared that this was the most enthusiastic and optimistic meeting in which the managers and supervisors have ever participated.

Home Life's Big Club Meets

The "President's Club" of the Home Life of New York, the organization of star producers, is holding its annual convention this week at Hollywood

Beach, Fla. The membership, based on the same quantity production as previously, was the largest in the history of the company, 37 qualifying for this four-day conference. Max Joseph of the A. G. Joseph Agency in New York City, the leader, succeeded Garland P. Peed of New York as president. Ben P. Gale of Cleveland became vice-president for the new year. It was announced that the next convention, to be held in 1933, will be at Banff, Can. Among the home office group present were: E. I. Low, chairman of the board; J. A. Fulton, president; W. J. Cameron, vice-president and actuary; C. C. Fulton, Jr., superintendent of agencies.

Berkshire Life Conference

The Berkshire Life will hold its annual general agents' conference at the home office Jan. 28-30. The first evening is to be devoted to an open forum, at which time all the members will have an opportunity of asking any questions regarding matters of mutual interest. The belief is that many general agents come to their home office conference with the desire to expound their views on certain subjects, but unless they appear on the program they never have the opportunity to do so. Many of the ideas from the field are valuable to the home office. The general theme is to be "Agency Organization and Conservation."

PACIFIC COAST AND MOUNTAIN

C. W. Helser Takes New Post

Former West Coast Life Official Now Vice-President of United States Life of Portland

C. W. Helser, who was formerly vice-president and agency manager of the West Coast Life, has become identified with the new Union States Life of Portland, Ore., as vice-president and will be in charge of finances. Mr. Helser left the West Coast about five years ago and has been in another line of business. He was prominent on the coast and was regarded as a very successful life insurance executive.

Company Recently Licensed

Recently the Union State Life qualified for its license with the insurance department and has written in excess of \$6,000,000 of business. Under the direction of President Hibbard and Vice-President and Superintendent of Agencies F. F. McGinnis the company has made rapid strides in both the building of an agency organization and the production of business. The association of Mr. Helser with the official family gives the company the seasoned experience of a well qualified executive.

Formerly in Northwest

Mr. Helser has two sons in business in Portland. At one time he was agency supervisor in Oregon and Washington

for Equitable of New York with headquarters at Portland.

Ruling on Effective Date

The effective date of a policy is the time it was dated and not the time of delivery and payment of the first premium, according to the United States circuit court of appeals at Denver in Tolbert vs. New York Life.

The lower court held that the time of payment of the first premium was the effective date and under that ruling the extended period would not have expired until the day after the death of the insured. Under the decision of the higher court, the policy expired seven days before death.

Big Dinner Postponed

SAN FRANCISCO, Jan. 21.—The Forward San Francisco "leaders" dinner, being sponsored by the San Francisco Life Underwriters Association has been postponed to Feb. 8 when Maj. Roger B. Hull will be principal speaker at the meeting. Although several hundred reservations had been received both from leading business men and underwriters of the city it was felt by certain association members the movement should be confined to life underwriters only.

Chartered Life Underwriter books sold by The National Underwriter.

GENERAL AGENCY NEWS

To Eliminate Part Time Men

General Agency Offices at Columbus, Ohio, Are Working on Plan to Meet the Situation

General agents, managers and executives of life companies in Columbus, O., have cooperated in an effort to eliminate the part time agent from the metropolitan district. They have agreed that any such agents under license or contract will be given until June 1 to decide to come into the business on a full-time basis or withdraw from the business entirely, with the exception of

those part-time agents who have been under contract for the last 20 years or more. Part-time agents will be added to an agency's roll, only when the intent on the part of the agency and the manager is that the part-time agent shall become a full-time agent within six months from the date of his license. If he does not do this within six months, his contract will be canceled. No agency in the city is to contract on a part-time basis with any agent who has already served as a part-time agent or a full-time agent within a period of two years subsequent to the termination of his last contract. A full-time agent is defined as one who spends

Let Us Follow Through

THIS week almost the entire adult population of the United States is being subjected to a barrage of life insurance addresses, talks, interviews, posters, news stories, editorials. A vast number of that entirety will not at once forget. And among the rememberers, everywhere in the country, are men and women who will continue to be good prospects until the influence of National Life Insurance Day upon their minds has disappeared.

There should be continuous and persistent solicitation of the known and possible prospects. The people need, the people will better know their need, the people will desire. An atmosphere favorable to our work will have been created.

Good business and good salesmanship will urge us to follow through, in the coming weeks, that the opportunity afforded by this huge investment of life insurance time and energy on National Life Insurance Day shall yield its maximum returns.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

OPPORTUNITY

"We propose to give every man his chance."

Abraham Lincoln

TRUE TO THE NAME OF LINCOLN!

The Lincoln National Life Insurance Company, Fort Wayne, Indiana.

TRIPLE INDEMNITY LIFE INSURANCE

with

NON-CANCELLABLE

Weekly Accident Coverage

combined in ONE contract for ONE Premium

Agencies available in Conn., Del., D. C., Md., Mass., Mich., Mo., N. H., N. J., N. C., Ohio, Penna., R. I., S. C. and Vt.

Inquire

UNITED LIFE AND ACCIDENT INSURANCE COMPANY

United Life Building

Concord, New Hampshire

WHAT TO KNOW ABOUT LIFE INSURANCE—

By J. B. Duryea.....Price \$1.50

A practical, clear statement by a field man or what the average salesman needs to know about the fundamentals. Order from The National Underwriter, 41946 Insurance Exchange, Chicago.

his or her entire business in the sale of insurance.

Confer with General Agents

G. F. Ream and H. E. Peterson of the field service department of the Mutual Benefit Life met in Kansas City Jan. 18-19 with general agents from several states. Those present included W. R. Wilkerson, Denver; P. L. Potter, Des Moines; C. I. Smith, acting general agent at Wichita; E. J. Phelps, Omaha; G. T. Blandford, Minneapolis; W. D. Morton, Sioux City; G. E. Mor-

stad, Sioux Falls, S. D., and A. C. Sweeny, Kansas City.

Hold Joint Agency Meet

Salesmen of the Cleveland and Akron offices of the Equitable Life of Iowa met in Cleveland last week. Vice-president B. F. Hadley was the principal speaker, talking on the trend of business for the coming year. Other speakers were S. A. Swisher, Jr., agency secretary, and E. E. Smith, educational director.

AS SEEN FROM NEW YORK

TRAVELERS OPENS NEW OFFICE

The Travelers has opened a new branch office in the Empire State building in New York City starting Monday. It represents consolidation of the offices at 175 Fifth avenue and 225 West 34th street. T. W. Cole, manager of the two offices, will head the staff in the Empire State. B. J. McKenna and Ivan A. VanBree are assistant managers. Mr. Cole has been with the Travelers since July, 1924, when he became field assistant at Des Moines. He later was appointed assistant manager at Des Moines and in 1927 became manager at Sioux City where he remained until he was taken to New York in a managerial capacity.

COMPLETES PERPETUITIES STUDY

J. O. Skinner, attorney for the Mutual Benefit Life, has completed an investigation of the law of perpetuities, which is involved in one of the most technical questions which comes before a life insurance lawyer, namely, how far to allow the insured to tie up his property after his death. The question is particularly difficult in New York state, as there is a statute which is generally known as the New York two life rule. This law was placed on the books in 1830, but not until more than 100 years after has anyone examined the law as it stood in 1830. Mr. Skinner's analysis appears in a recent issue of the New York "Law Journal." The important question was whether the famous revisers of 1830 knew of the remoteness idea when they framed the revision. Mr. Skinner says he is forced to conclude that they were acquainted with

that doctrine. Mr. Skinner has been making a special study of perpetuities for some years.

SHAW IN NEW DEAL

W. B. Shaw, until recently vice-president of the Baker-Shaw Agency of the National Life of Vermont, in New York City, has organized a separate department of the C. L. McMillen agency of the Northwestern Mutual Life, which will be known as W. B. Shaw Associates.

The organization will concern itself primarily with the planning and development of estates and holdings of men of wealth so that they may be conserved and eventually inherited without incurring legal delay or unnecessary taxation. A wide experience in business has convinced Mr. Shaw that estate engineering offers the most logical approach for the intelligent utilization of life insurance.

Associated with Mr. Shaw at the outset of his enterprise is B. W. Bernard, who has back of him seven years of trust experience and two and one-half years in the investment trust field in Philadelphia and New York. Mr. Bernard is also an attorney.

Mr. Shaw was for 20 years in the tobacco business, both independently and with the American Tobacco Co., before entering the life insurance business in 1927 with the E. M. McMahon agency here of the National Life of Vermont. When Mr. McMahon went into banking, Mr. Shaw and F. E. Baker organized the Baker-Shaw agency which succeeded the McMahon office.

AS SEEN FROM CHICAGO

HOBART & OATES DINNER

Hobart & Oates, Chicago general agents of the Northwestern Mutual Life, gave their annual dinner Monday evening. During the day there was a conference at which were present from the home office Superintendent of Agencies S. H. Parsons, Assistant Superintendents U. H. Poindexter and W. Ray Chapman and Assistant Medical Director D. E. W. Wenstrand. A banquet was given in the evening over which R. H. Hobart presided. J. F. Oates gave the prizes to the winners. H. W. Shedd led in volume and number of lives. O. A. Williams was second in volume and A. C. Fenton, second in number of lives. Prizes were given to the winners in the efficiency contest and in the team championship contest. Mr. Parsons and Prof. S. N. Stevens, College of Liberal Arts of Northwestern University were the set speakers at the banquet.

Mr. Parsons stated that this was the 75th anniversary year of the Northwestern Mutual and much would be made of the celebration at the agency meeting in July. Speaking of investments he gave it as his opinion that the railroad bonds owned by the company are amply secured. He said there is no default in any of the city loans. The interest on 90 percent of all the farm loans is being paid. The company owns 400 farms se-

cured under foreclosures. Those that have been sold have been disposed of at a profit. He said that the policy of the Northwestern is to loan on 40 percent of the value of a farm but in no instance to exceed \$100 an acre. The Northwestern Mutual, he said, has not had to sell any securities to take care of the great influx of policy loans and surrenders which have increased materially. The fact that so many people have fallen back on their life insurance during this time of great distress, he said, has emphasized the great service of the life insurance institution. People see that they can get their money and get it quickly on their life policies. This has been of great benefit.

Mr. Parsons stressed the immediate work of reconstruction and reclaiming of weakened estates, this in his opinion being one of the foremost duties of agents today. He spoke of the increased mortality on larger cases, saying that the Northwestern last year had seven deaths where people carried \$250,000 insurance and one \$200,000. Of these eight, five were suicide cases. He stated that there may be a general revision of policies to protect companies from early suicide. He regretted companies getting away from the two or three year clause.

While the fact that the Northwestern

Mutual kept away from using the disability and double indemnity clauses cost it millions of new business and a number of agents, Mr. Parsons said the management is well satisfied because it has escaped huge losses from these sources. Professor Stevens stressed the hidden power in agents and told how to use potential, mental, physical and spiritual resources in selling.

ROTHAERMEL ON LONG TOUR

William Rothaermel, superintendent

of agencies central department, Equitable of New York, is on his quarterly trip holding meetings with managers and district managers. His itinerary is Des Moines, St. Louis, Indianapolis, Columbus, Cleveland, Toledo, Oklahoma City, Kansas City, Omaha, Milwaukee, St. Paul and Minneapolis.

Martin T. Navin, Chicago general agent Continental Life of St. Louis, was in seventh position for personal production in this country and his agency was fourth, although it is but two years old, having been organized Jan. 6, 1930.

NEWS OF THE COMPANIES

Peoples Life in Silver Year

Indiana Company Opens Celebration of 25th Anniversary With Drive for President Burget

The Peoples Life of Frankfort, Ind., is celebrating its silver anniversary jubilee this year as an old line legal reserve company. Inasmuch as President Eugene O. Burget has his anniversary month in January it is called "President's Month" and therefore it opens the celebrated year. The Peoples Life has had a steady growth. In its first year it showed assets \$28,498, legal reserve \$10,328, capital and surplus \$16,050, new insurance \$1,331,850. With the beginning of this year its assets are \$7,917,120, legal reserve \$6,857,110, capital and surplus \$1,000,000, new business \$11,171,000, insurance in force \$53,112,000. Mr. Burget started with the Peoples Life when it was organized, becoming secretary and general manager. He was elected president July 1, 1926. Before going with the Peoples Life he was a bank cashier. The Peoples Life owns its home office building. E. D. Hodge, home office general agent, is celebrating his 25th anniversary with the company.

The Peoples Life is regarded as one of the substantial Indiana companies that is moving along in excellent shape. The Peoples Life is one of the companies in the western section to show an increase in insurance in force. The net gain was \$3,000,000. This is a real achievement for a company the size of the Peoples. It has acquired a reputation for fairness with its agents and policyholders. It has endeavored to strengthen itself yearly in a financial way. It has always been officered by men who appreciate the trust reposed in them.

Sanders Heads B. M. A. Club

R. E. Sanders of San Diego, Cal., qualified as president of the Grant Club of the Business Men's Assurance, Kansas City, at the end of the club year, with 2,459 points, equalling \$820,000 life production. Mrs. Carrie Summers, Houston, became vice-president with 1,554 points, the equivalent of \$518,000 life production. This is the first time since the company was organized that a woman has qualified as an officer of the club. There were 104 salesmen who qualified. The Business Men's plans an "All-Star" convention, either at Havana or Bermuda in January, 1933. The B. M. A. last year paid for \$30,860,624 and this year has set a quota of \$40,000,000.

Gem City Life Meeting

Stockholders of the Gem City Life of Dayton, O., will hold their annual meeting Jan. 26. At that time a resolution to change the name to the Union National Life and to transfer the executive offices to Charleston, W. Va., will be voted on.

Plan for the Yeomen

Unanimous approval of the plan to change the Brotherhood of American Yeomen from a fraternal to a mutual, legal reserve company has been voiced by delegates from 38 states. The next

move will be the submission of the proposal to a referendum vote of members. It is expected by executives that approval will be forthcoming since the change will not affect their status nor raise their rates. The new name will be the Yeomen Mutual Life.

ACCIDENT-HEALTH

B. M. A. Has New Policies

Embody Many of Features of Recent Agreement of Quarterly Premium Companies

KANSAS CITY, MO., Jan. 21.—Three new policies have been issued by the Business Men's Assurance, the "business men's accumulative," "business men's special" and "guaranteed renewable special," which carry many of the provisions in the new agreement of the so-called quarterly premium companies.

The accumulative policy provides indemnity for total and partial disability from accident or sickness, after the third day and for not more than 12 months. It contains the accumulation feature. When the insured reaches age 56 birthday monthly income and principal sum are reduced 10 percent each year for five years. Commencing with age 61, it is reduced 5 percent each year until age 70, when indemnity ceases. The policies are issuable to women. A health-only policy on this form costs 20 percent more if issued after age 50.

The same benefits are provided under the special policy except total disability benefits are not limited to 12 months, and it is not issued to women.

The "guaranteed renewable special" has same benefits as the "accumulative," except that the aggregate indemnity is limited to 24 months. If the first period of disability lasted 24 months, income would be paid for the entire period. If the first disability lasted 12 months and the second six months, payments would be made during only six months more of disability, regardless of how long it continued.

No Tuberculosis Case Can Be Called Definitely Cured

No tuberculosis patient can ever be classed as definitely cured; the most favorable classification ever given by experts in the treatment of the disease is "apparently cured," Dr. George C. Turner of the Municipal Tuberculosis Sanitarium, told the Chicago Claim Association at its January meeting. Other classifications used for cases that have responded favorably to treatment are "arrested," "apparently arrested" and "quiescent." In all of these classes, Dr. Turner said, there is a strong probability of recurrence, especially if the patient fails to follow the strict regimen required and gets into a rundown condition as a result of worry, loss of sleep, carelessness in diet or other irregularities. He said that tuberculosis is not hereditary, but that it is classed as a "family disease," because of the prob-

ability of transmission from one member of the family to another.

He reviewed in a very interesting talk the diagnosis, treatment and prognosis of tuberculosis, giving in the latter connection some estimates as to the chances of rehabilitation and the probable length of life in the different stages and forms of the disease, which were of especial interest to the claim men. His talk was illustrated with slides showing x-ray photographs of typical cases.

Dr. W. D. McNally, consulting chemist in Chicago, formerly connected with the Cook county coroner's office, will speak at the next meeting, with special reference to carbon monoxide deaths.

Leads Travelers Branches

OKLAHOMA CITY, Jan. 21.—The Oklahoma City branch of the Travelers exceeded its accident insurance allotment by a greater amount than any other branch in the United States or Canada in 1931 and won the Bertram A.

Page silver cup, awarded annually for this achievement. D. R. Bonfoey, head of life, accident and group insurance departments of the local branch, reports the year's total exceeded the allotment by 52 percent. The Dallas branch ranked second.

The Oklahoma branch also won the five-man team contest in answer to a challenge issued by the 23rd street branch office in New York City with a dinner given by company officials as the prize. G. P. Broadbudd, Ponca City, of the Oklahoma City branch also led the country in personal production.

Non-Cancellable Policies Written

In giving a list of the companies writing non-cancellable disability insurance the Massachusetts Accident was omitted. The other companies are the Pacific Mutual Life, Continental Casualty of Chicago, Monarch Life, and Massachusetts Protective.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Guarantee Fund Dividends

Omaha Company Formerly Highly Successful on Assessment Basis Issues Scale for 1932

The Guarantee Fund of Omaha has declared its 1932 dividend scale. It is interesting in view of the company's change a year ago from the assessment to legal reserve mutual form. Illustrative dividends per \$1,000 are:

Age 25					Family Income	
End Policy Year	End. at 85	20-Pay Life	20-Yr. End.	20-Yr. Plan	20-Yr. Plan	20-Yr. Plan
3.....	.....	.....	.....	.....	\$ 3.35	3.35
4.....	.....	.....	.....	.....	3.36	3.36
5.....	1.60	1.30	1.91	3.37	3.37	3.37
10.....	2.16	2.54	3.61	3.42	3.42	3.42
15.....	3.33	4.55	7.42	3.59	3.59	3.59
20.....	4.68	6.94	12.04	3.97	3.97	3.97
Age 35					Family Income	
3.....	.....	.....	.....	.....	3.66	3.66
4.....	.....	.....	.....	.....	3.67	3.67
5.....	1.67	1.37	1.11	3.68	3.68	3.68
10.....	2.60	2.99	3.83	3.73	3.73	3.73
15.....	4.27	5.51	7.70	4.46	4.46	4.46
20.....	6.17	8.43	12.29	5.33	5.33	5.33
Age 45					Family Income	
3.....	.....	.....	.....	.....	3.67	3.67
4.....	.....	.....	.....	.....	3.67	3.67
5.....	2.04	1.78	1.91	4.00	4.00	4.00
10.....	3.67	4.00	4.51	4.91	4.91	4.91
15.....	5.95	7.00	8.33	6.14	6.14	6.14
20.....	8.23	10.22	12.64	6.95	6.95	6.95
Age 55					Family Income	
3.....	.....	.....	.....	.....	4.26	4.26
4.....	.....	.....	.....	.....	4.67	4.67
5.....	3.10	2.92	2.84	5.05	5.05	5.05
10.....	5.36	5.52	5.73	6.56	6.56	6.56
15.....	7.91	8.57	9.18	7.54	7.54	7.54
20.....	10.02	11.62	13.00	7.27	7.27	7.27

John Hancock

The John Hancock Mutual Life is issuing a retirement fund policy providing \$10 per month per \$1,000 monthly income starting at age 65, 120 payments certain and for life. Cash and paid-up options are afforded: Cash, \$1,263 per \$1,000 of face amount; cash, \$575 and \$1,000 paid-up policy, subject to insurability and limit of risk, and paid-up policy for \$1,835. Face amount or cash surrender value, whichever is larger will be paid at death before 65. Rates per \$1,000 are:

Age	Rate	Age	Rate
10.....	\$ 18.51	35.....	\$ 35.30
15.....	18.55	40.....	45.30
20.....	21.20	45.....	59.72
25.....	24.70	50.....	83.99
30.....	29.38	55.....	132.08

Continental Assurance

The Continental Assurance of Chicago is issuing a deferred cash refund annuity providing monthly income starting at anniversary date nearest 60 or 65. Cash and loan values are given. In event of non-payment of premium after two years the contract is continued for a pro rata amount. The annuity at 60, per \$10 monthly income carries rates: Age 15, \$10.69; 20, \$13.87; 25, \$18.29; 30, \$24.55; 35, \$33.87; 40, \$48.64; 45, \$74.35; 50, \$127.93.

Financial Adjustment Form

Phoenix Mutual Issuing Seven-Year Term With Privilege of Splitting on Conversion

The Phoenix Mutual now is writing a "financial adjustment" policy which is a seven year term for a minimum of \$10,000, with privilege of converting any unit of not less than \$5,000 within the first five years. A unit may be converted to either ordinary life or endowment form. The novelty of this contract is that a single term contract at start may through this privilege be spread into several separate contracts of differing forms.

This point has just been ruled on by the attorney-general of Massachusetts on request of the insurance commissioner, who asked an opinion whether one policy could be converted into more than one policy, in view of the law provision stating a policy may be converted into "any policy." The attorney-general gave the opinion this could be done and thus approved the Phoenix Mutual's form.

The "financial adjustment" form is issued only on male risks. The rate at age 35 for \$10,000 is \$114.10. With disability income and waiver of premium the rate is \$141.20, and with waiver of premium only \$120.10. The dividend starts about 20 percent of the premium and increases slightly during the life of the contract.

California-Western States

New rates of the California-Western States under the revised rate book on popular forms are:

Age	20-Pay				Complete Protection			
	End. at 85	End. at 85	20-Yr. End.	20-Yr. End.	End. at 65	End. at 65	End. at 65	End. at 65
10.....	11.39	18.87	40.45	12.90	.....	.....	.....	.....
15.....	12.46	20.20	40.65	14.42	.....	.....	.....	.....
20.....	13.82	21.50	40.91	16.52	26.35	35.22	.....	.....
25.....	15.54	23.74	41.11	19.32	29.50	38.15	.....	.....
30.....	17.76	26.10	41.64	22.92	33.57	41.58	.....	.....
35.....	20.66	28.98	42.44	27.90	39.14	46.72	.....	.....
40.....	25.04	33.07	43.76	35.25	47.28	51.12	.....	.....
45.....	30.79	38.20	46.23	.....	.....	.....	.....	.....
50.....	38.54	44.86	50.30	.....	.....	.....	.....	.....
55.....	49.07	53.79	56.87	.....	.....	.....	.....	.....
60.....	63.70	66.24	67.50	.....	.....	.....	.....	.....
65.....	89.48	.....	.....	.....	.....	.....	.....	.....

New England Mutual

The New England Mutual announces two forms of annuity contracts, one a single premium life annuity and the other a single premium refund life annuity. The contracts are similar to those of other companies and the annuity payments compare favorably. The com-

You Can't Get Rich From Lapsed Renewals

Our record over a period of years indicates that compared to other companies our lapses are less. Perhaps this is due to the service we give policyholders and agents.

Unusually attractive contract available to men in Ohio, Indiana, Michigan, Kansas, North Dakota, South Dakota, Minnesota and Wisconsin.



N. J. Frey, President

Gordon D. Adams, Secretary

ARE YOU AWAKE TO OPPORTUNITY

Life Insurance Men of Vision Know That the Greatest Opportunity

Is with the Company That Is
NOT TOO LARGE NOT TOO OLD
NOT TOO SMALL NOT TOO YOUNG

The Solid Growing Company Officered by Men Who Are Agency Minded

WE HAVE THE TOOLS

Participating and Non-Participating Policies—Men and Women on Equal Terms—Total Disability and Double Indemnity

Circularization Aids—Supervisor's Help—Direct Contracts, Human Relations, Liberal Contracts and Special Producer's Clubs

If You Are Ready for a General Agency There is Desirable Territory Open in IOWA—NEBRASKA—MINNESOTA—AND SOUTH DAKOTA

THE OLD LINE

CEDAR RAPIDS LIFE INSURANCE COMPANY

Jay G. Sigmund—Vice-Pres. & Agency Director
COL. C. B. ROBBINS, Pres. C. B. SVOBODA, Secy.
CEDAR RAPIDS, IOWA

Rockford Life Has a Message for You

President F. L. Brown

Rockford Life Insurance Co., Rockford, Ill.

It Concerns
General Agencies

Dear Sir: SEND ME THE MESSAGE

Name

Address

City State.....

pany states it is issuing these contracts to broaden its service to policyholders and agents, inasmuch as annuities supplement insurance protection and are becoming increasingly attractive to people who wish to be assured of a life income without the risk of personal investment. Comparative rates and annuity payments for the two forms are:

Age	Life Annuity		Refund Annuity	
	\$100	\$100	\$100	\$100
10....	\$2,636.10	\$2,149.50	\$2,690.50	\$2,194.80
15....	2,563.00	2,088.60	2,625.50	2,140.70
20....	2,486.00	2,024.40	2,553.40	2,080.60
25....	2,395.40	1,948.90	2,469.90	2,011.00
30....	2,290.10	1,861.20	2,374.30	1,931.30
35....	2,169.20	1,760.40	2,266.00	1,841.10
40....	2,032.40	1,646.40	2,146.10	1,740.30
45....	1,880.10	1,519.50	2,012.00	1,629.40
50....	1,713.90	1,381.00	1,867.70	1,509.20
55....	1,536.80	1,233.40	1,714.50	1,381.50
60....	1,352.90	1,080.20	1,554.50	1,248.20
65....	1,167.70	925.80	1,390.70	1,111.70
70....	986.90	775.20	1,227.20	975.40
75....	816.70	633.30	1,067.50	842.30
80....	662.20	504.60	914.90	715.20
85....	526.70	391.70	773.50	597.30

Mutual Life of Canada

The Mutual Life of Waterloo, Can., which was established in 1869, announces that the highly satisfactory results of the operations of last year permit it to continue the same dividends as were paid in 1931.

M. N. Hatcher, senior partner of Hatcher Bros., state agents in North Dakota for the Great-West Life, has just returned from a visit to the head office.

NEWS OF LIFE ASSOCIATIONS

Indiana Life Men's Meeting

Larry Kigin of Terre Haute Was Re-elected President—Commissioner Kidd Spoke

Officers of the Indiana Life Underwriters' Association were re-elected at Indianapolis as follows: Larry Kigin, New York Life in Terre Haute, president; L. D. Fowler, Fort Wayne, Connecticut Mutual, Lowell T. Boyd, Kokomo, Equitable of Iowa and Arthur J. Saum, Evansville, Massachusetts Mutual, vice-presidents, and Robert E. Beisel, Lafayette, Lincoln National, secretary.

Perry Meek, president Indianapolis association, read a resolution that life insurance day of Thrift Week in 1933 be set aside as a day for special effort for new business in Indianapolis, both as to number of "apps" and to total amount of insurance placed. It is hoped to make this a record day.

Insurance Commissioner Kidd made a short talk deprecating the practice of some agents taking one, two and even

three year premium notes. He stated that if insurance did not rectify itself, legislation would be forced. In that event further restrictions would probably result. Consensus of opinion of general agents, to whom a letter had previously been sent, seemed to be that no restrictions should be placed on initial premium notes. Mr. Kidd asked that a committee be appointed and meet with department officials to get their view on long term premium notes, and stated that they would abide by the decisions of the committee.

Birmingham Sales Congress Has Notable Speakers' List

BIRMINGHAM, ALA., Jan. 21.—An unusual galaxy of talent addressed the Birmingham Association of Life Underwriters at its all-day sales congress Jan. 19, concluding with a banquet. Speakers were R. B. Hull, managing director National association; L. O. Schriver, Peoria, Ill., secretary National association; Roy R. Hale, superintendent of agencies southern department, Equitable Life of New York; Dr. W. B. Bailey, economist Travelers; T. A. Peake, director of education and training, Commonwealth Life of Louisville, and Josh Lee, director of public speaking, University of Oklahoma.

Mrs. W. S. Pritchard, director of the department of the American family of the National association, will address the February meeting. Mrs. Pritchard will also speak before a number of federated clubs. Frank L. Jones, vice-president Equitable Life, a former president of the National association, will be the speaker for the March meeting.

Asheville, N. C.—With the installation of new officers the Asheville association launched a unique program of monthly meetings. This program was opened with an address by R. B. Hull, managing director National Association of Life Underwriters.

President R. A. Wanner conceived the idea of a definite and new program for meetings during the year. He was installed at the meeting. The other officers are W. E. Chambers, first vice-president; A. C. Coffey, second vice-president; K. W. Partin, secretary-treasurer; Harry Love, national committeeman.

Greensboro, N. C.—W. G. Bogle, Connecticut Mutual, was named president of the Greensboro association. D. G. Wilson, Equitable, was made vice-president, and Bart Leiper, Pilot Life, was made secretary-treasurer.

The chief feature of the meeting was the address by Roger B. Hull, managing director National Association of Life Underwriters.

Richmond, Va.—R. B. Hull, general counsel for the National Association of Life Underwriters, was the guest speaker at the January luncheon-meeting of the Richmond Association of Life Underwriters. More than 200 underwriters, bankers and business men heard him. He declared that life insurance will supply the cushion to absorb the shock of the next business depression which will come after another peak of prosperity.

Richmond life underwriters hooked up strong with Life Insurance Day, starting the day with an "early bird" breakfast at which inspirational talks were given by W. H. Schwarchild, president Richmond chamber of commerce, and A. O. Swink, president Atlantic Life. The day was spent in an extensive drive for applications, each solicitor winding up the day at 7:30 in the home of a prospect. Radio talks were given by W. M. Brooks, secretary of the association, and Commissioner George A. Bowles.

Los Angeles—S. S. McClure, author and publisher, spoke at the luncheon-meeting of the Los Angeles association last week on the situation in India.

C. C. Day, general agent Pacific Mutual Life at Oklahoma City and former vice-president of the National association, talked on "Life Insurance in 1932."

"I should like to impress upon you," he said, "that this is not a low premium era but is rather a high premium era, which is as it should be under present conditions. Another thought I should like to leave with you is this—never was the time so ripe for the active maintenance and virility of such organizations as the life underwriters associations."

Wilmer M. Hammond, general agent Aetna Life, told of plans for Life Insurance Day.

Another educational meeting was held by the association Tuesday. "Sales Presentation" was discussed by Ralph S. Babcock, Provident Mutual Life, and Russell Hoghe, assistant general agent Aetna Life. Will G. Farrell, Penn Mutual Life, talked on "Life Insurance Day."

New Orleans—John W. Murphy, public relations manager of the Pan-American Life, was chairman of the New Orleans association committee for the observance of Life Insurance Day, Jan. 21. Arrangements were made for radio addresses and short talks at luncheon clubs.

Texas—The annual sales congress of the Dallas association will be held Feb. 8. It is expected that 500 will turn out to hear Dr. S. S. Huebner, Elbert Storer and George E. Lackey discuss the problems of agents and the work of the National and the state associations. The officers of the Texas Association of Life Underwriters will attend the congress, because the gathering is one of the three or four such meetings to be held under the auspices of the state and local associations.

The next sales congress in Texas will be held at San Antonio Feb. 8. The same speakers for the Dallas meeting probably will be on the program for San Antonio. Other congresses will be held later at Houston and one in the Plains country. The Texas association is anxious to carry these sales congresses to points where the most agents can get the benefit of them.

Columbus, O.—Members of the Columbus association are taking active part in the observance of Thrift Week. Every life underwriter in Columbus who is affiliated with the association is expected to increase his calls this week. On Thursday evening a dinner was held and the radio talk by Merle Thorpe, editor of "Nation's Business," was heard.

Cincinnati—The Cincinnati association held a meeting Tuesday with A. E. N. Gray of the home office of the Prudential as speaker. The association observed "Life Insurance Day," starting with a breakfast where there was one short talk. Each member pledged himself to see not less than 10 people Thursday. A number of speakers talked over local radio stations in Cincinnati. Some luncheon clubs were furnished speakers on that day who spoke on life insurance. The Cincinnati association is sponsoring an essay contest for school children under 16 years of age with cash prizes for the 14 leading essays. The subject is "Dad's Street Car Estate." The plan is being worked in cooperation with the Cincinnati Street Railway Company, which will for two weeks run advertisements free of charge, carrying the announcement and results of the contest. The plan is to bring to the reader's mind life insurance estates which could be created by the difference in cost of driving an automobile to work in comparison with taking the street car each day. The advertisements will carry two questions. The first one is, "Ask Dad How Much It Costs to Drive His Automobile to Work Each Day Instead of Riding the Street Car." Next is, "Ask Dad How Much of a Life Insurance Estate Could Be Created With This Saving."

Council Bluffs, Ia.—H. A. Miller, Mutual Life of New York, was elected president of the Council Bluffs association. Other officers are Covert Brown, Equitable Life of Iowa, vice-president; Vern Drennan, New York Life, secretary; Charles Fellingham, Northwestern Mutual Life, treasurer.

Montgomery, Ala.—D. A. Holloway, New England Mutual, was elected president of the Montgomery association. C. F. Moritz, New York Life, was elected vice-president, succeeding J. A. Williams, who was chosen secretary-treasurer. The following is the executive committee: E. G. Branch, chairman, A. M. McFall, B. L. Butler, Harry Bandy and Ferd Neumann.

THE VERY
CENTRE OF
EVERYTHING



INTERNATIONALLY FAMOUS

RATES

SINGLE WITH BATH \$2.50 TO \$8.

DOUBLE WITH BATH \$4. TO \$9.

ATTRACTIVE WEEKLY, MONTHLY
AND RESIDENTIAL RATES

The Alexandria Hotel is an affiliated unit of the Eppley Hotel Co's 22 Hotels in the middle west, Louisville, Ky. and Pittsburgh, Pa. and the Hamilton chain of Hotels in California.....

E.C. EPPLEY CHARLES B. HAMILTON
President, Vice-President & Managing Director

CORNER OF FIFTH AND SPRING STREETS

LOS ANGELES

CHICAGO OFFICE • 520 No. Michigan Ave. • Suite 422 • Phone-Superior 4416

OPPORTUNITY!

Desirable Territory Open for General Agencies.
Liberal Contracts.

THE CAPITOL LIFE
Insurance Company
DENVER, COLORADO

GALLEY PROOFS

James A. Fulton, president of the Home Life, in commenting on the year's prospects, says: "We can enter the new year with a feeling of assurance and optimism. 1932 will be a good year for those who make it a good year. Public appreciation of the value of life insurance is at high tide. Millions of people who have temporarily had to curtail their life insurance are ready to replace it as soon as their personal adjustments to the present situation have been completed. The Home Life's plans for 1932 contemplate vigorous growth and expansion."

The Western & Southern Life received \$8,327,000 business last year of which the conservation department is credited with \$1,600,000 by mail. There were 299 promotions made by the company last year. This expansion is considered unusual for the character of the year just closed.

Dr. H. A. Baker, medical director Kansas City Life, in his annual report states that since the company began writing non-medical business May 1, 1925, it has received 148,570 cases for \$214,013,242. Last year it wrote over \$60,000,000 of new business and over 52 percent was non-medical. About 90 percent was issued as applied for. It paid out since May 1, 1925, \$1,102,278 in death claims, on non-medical risks, the mortality ratio being 25 percent.

The indictment brought against Actuary F. M. Speakman of Philadelphia in connection with the activities of the defunct Citizens Life of Huntsville, Ala., has been dismissed on voluntary recommendation of the district attorney, the state's attorney concurring. After an examination of the records of the company there was found nothing that would involve Mr. Speakman. His connection with the Citizens Life was merely that of a consulting actuary of the Alabama insurance department. Mr. Speakman is widely known in insurance circles.

Early in December every policyholder of the Acacia Mutual Life got with his notice for the nomination of directors a postal card which offered five opportunities to check five different life insurance needs. The post card asked that the policyholder "Check the one thing below which you want most."

At the same time of the previous year, in 1930, each policyholder was sent a circular called "Four Coupons," which allowed the policyholder to express his interest in one of four different policies.

In each case, that of the circular mailed a little over a year ago, and that of the post card mailed in early December, the greatest number of the inquiries were regarding old age endowment. A year ago, 42 percent of the repliers were interested in endowments; now, 54 percent of the repliers are interested in endowments.

The remainder of the repliers this year showed interest in the following order:

(2) Insurance against loss to beneficiaries by non-payment of mortgages; (3) education insurance; (4) family protection; (5) protection against loss from depreciation in property value.

The life insurance men of southern California are extending an invitation to those attending the annual convention of the National Association of Life Underwriters at San Francisco to go by way of Los Angeles and take in at least a part of the Olympic games, which are to be held in the latter city July 30-Aug. 14. The original Olympics extended from an unknown date

preceding 884 B. C. until 394 A. D. The celebration became the greatest event of a period when pageants and spectacles were in their heyday. Their influence in keeping alive the Greek national spirit was so strong that they were finally abolished by the Roman emperor Theodosius upon the ground that they were detrimental to Christianity and therefore dimmed the glory of the nominally Christian Roman rulers.

The modern games extend back to 1896, when they were revived by Baron de Coubertin as a means of increasing French interest in athletics and of promoting international good will. Eight Olympiad contests have been held, the sixth having been omitted during the world war. The games at Los Angeles this year therefore mark the opening of the tenth Olympiad of the modern era.

M. E. Larson of the White & Odell agency, second oldest member of the App-A-Week Club of Northwestern National Life, passed another milestone last week when he rounded out his 468th week, marking the close of nine consecutive years in which he has written at least one application every week. For his achievement Mr. Larson has been awarded a cash prize of \$90, representing \$10 for each year.

Mr. Larson is completing his 11th year in the company's service and in that time has, in addition to his remarkable App-A-Week achievement, established himself as a top-notch life insurance salesman.

Ivan V. Snyder of H. O. Wilhelm & Co. of Omaha also ended a long App-A-Week record last week. He has been in the club for 208 weeks—four years, entitling him to a \$40 cash prize.

An interesting incident at a recent meeting of the Life Underwriters Association of Los Angeles was the reading by President Robert A. Brown of a letter addressed to Fred C. Hathaway, Mutual Life of New York agency manager, by a convict in San Quentin penitentiary. The letter stated that in connection with a course of instruction in life insurance that is being given at the penitentiary there is a shortage of material, which explained the request for a specimen policy and any other information upon the subject that would be useful in class work. President Brown humorously remarked that this forward step in teaching life insurance at San Quentin may subsequently lead to the unique experience of the association welcoming to its membership former inmates of the state prison.

Darby A. Day, Beverly Hills, Cal., was ordered to return to Missouri to answer a federal indictment charging use of the mails to defraud in transactions with the Chicago Fidelity & Casualty of which he was the head. He posted a \$10,000 bond to guarantee his appearance at Jefferson City when the case is called. He fought extradition. He was indicted last November jointly with J. B. McCutchan of Chicago on seven counts, based on the use of the mails to defraud in connection with insurance promotions. The investigators charge that a mortgage "mill" was operated to turn out supposedly valuable

farm mortgages that became assets of the company. It was claimed that large tracts of undeveloped land in the cut-over timber section of southeast Missouri were the basis of what appeared as conservative loans on highly improved farm land. The "farmers" who signed the mortgages are alleged to have been supplied by a St. Louis labor agency at a small fee per head.

Reinsurance Completed

WICHITA, KANS., Jan. 21.—Final steps for the reinsurance of the National Savings Life in the Farmers & Bankers Life have been taken. The agreement for reinsurance has been approved by the Kansas department. The Wheeler Kelly, Hagner Trust Company has been appointed receiver to liquidate the assets of the National Savings for the benefit of the general creditors and stockholders, other than those assets required to be kept with the state treasurer. All interests were represented in court. It is the belief of all parties that this plan will amply protect the policyholders.

Allen New York President

The Life Managers Association of Greater New York at its luncheon meeting Wednesday formally elected the officers nominated at the last meeting: E. W. Allen, New England Mutual, president; L. A. Cerf, Jr., Fidelity Mutual, vice-president; W. J. Dunsmore, Equitable of New York, secretary-treasurer.

Inter-Southern Meet Held Over

LOUISVILLE, KY., Jan. 21.—The annual meeting of the Inter-Southern Life here yesterday afternoon was adjourned until Jan. 27. President Cary G. Arnett having been out of the city several days due to the death of his father, had not had time to get some matters in shape for presentation. Directors and officers will be named next week. Almost the entire board was present.

Madden Agency Conference

The Madden agency of the Kansas City Life at Milwaukee will hold its annual agency conference Jan. 22-23. J. F. Barr, vice president and superintendent of agencies; Walter Cluff, educational director; J. A. Budinger, actuary, and Dr. H. A. Baker, medical director, will attend for the home office.

Graham Agency in Lead

The J. P. Graham, Jr., agency of the Aetna Life has won first place among all general agencies of the Aetna in percentage of net gain of insurance in force for 1931. The agency is particularly proud of its record in view of the heavy lapse rate companies in general are experiencing on account of the depression and the constantly increasing importance that is being attached to conservation work as a part of agency building.

The Graham agency has now completed its second full calendar year with a paid-for record ahead of its 1930 figure, and a 30 percent increase in brokerage business. During 1931 eight new full time men were added to the organization. Five full time agents are now taking the New York University life insurance training course.

Griffin M. Lovelace's book, "Life Insurance Fundamentals," is an elaborate treatment of the principles of life insurance as a system. Price, \$3.25. Order from The National Underwriter.

MEDICAL DIRECTOR WANTED

Wanted by a leading Western life insurance company, established a number of years ago, showing continuous and substantial progress, an experienced medical director who will be given full authority over his department. The company is a prominent one commanding attention in its territory. The medical director must possess those qualities that will enable him to deal diplomatically and yet decisively with the field force. All negotiations will be conducted in confidence through the subjoined key number or the editor of The National Underwriter.

Address U-78, The National Underwriter.

Visual Selling —a reality

Through visual selling Bank Savings Life agents have been able to tell the true story of life insurance — and to tell it convincingly. Impressions through the eye outlive the spoken word. Such salesmanship becomes a well-ordered scientific process.

PROVED IN THE FIELD
BY

Bank Savings Agents

The volume of insurance produced by our agents month in and month out demonstrates the soundness and desirability of "Visual Selling." Why not ask for more complete information about The Bank Savings Life methods and agency helps.

TOOLS to help you SELL

- 1 Pre-Approach Plan
- 2 Canvassing Portfolio
- 3 Illustrated Brief

Write to

GEO. L. GROGAN
Vice-President
In Charge of Agencies

The Bank Savings Life Insurance Company

Topeka Kansas

ACTUARIES

CALIFORNIA

Barrett N. Coates Carl E. Herfurth
COATES & HERFURTH
 CONSULTING ACTUARIES
 114 Sansome Street 437 So. Hill Street
 SAN FRANCISCO LOS ANGELES

ILLINOIS

DONALD F. CAMPBELL
 CONSULTING ACTUARY
 160 N. La Salle St.
 Telephone State 7998
 CHICAGO, ILL.

L. A. GLOVER & CO.
 Consulting Actuaries
 128 North Wells Street, Chicago
 Life Insurance Accountants
 Statisticians

J. Charles Seitz, F. A. I. A.
 CONSULTING ACTUARY
 Author "A System and Accounting for a Life Insurance Company"
 Attention to
 Legal Reserves, Fraternal and Assessment Business—
 Pension
 228 North La Salle Street
 Phone Franklin 6559 Chicago

INDIANA

Haight, Davis & Haight, Inc.
 Consulting Actuaries
 FRANK J. HAIGHT, President
 Indianapolis, Omaha, Kansas City

HARRY C. MARVIN
 Consulting Actuary
 307 Peoples Bank Building
 INDIANAPOLIS, INDIANA

MISSOURI

ALEXANDER C. GOOD
 Consulting Actuary
 807 Paul Brown Building, St. Louis
 and
 800 Securities Building, Kansas City

NEW YORK

MILES M. DAWSON & SON
 CONSULTING ACTUARIES
 500 Fifth Avenue New York City

A·B·C

of
 Disability Insurance

YOU will find a wealth of suggestions in J. B. Sackett's A. B. C. of Disability Insurance. 125 pages. Price \$1.

Order from
 The National Underwriter
 175 W. Jackson Blvd.,
 Chicago

FINANCIAL PROBLEMS

(CONTINUED FROM PAGE 13)

etc. The Kansas City Life owns three other properties in Kansas City—the Robert E. Lee hotel, the Emmerson apartment house and a hotel property known as the Del Ray, which was secured through a trade for a plantation the company owned in Arkansas. The city loans, Mr. Arnold explained, are based on a percentage not exceeding 50 percent of what is considered a fair market value.

New England Mutual Setup Reviewed—Buy Some Stocks

An interesting analysis of the financial setup of the New England Mutual Life has been made by Vice-president Jacob A. Barbey. The only change in investment policy during the year was the decision to buy some stocks, he said. Purchases amounting to \$1,166,425 were the first purchases of this class of securities made by the New England Mutual in 25 years, he said. Total stock holdings of the company amount to only 1.31 percent of assets at present. Public utility bonds, he said, have stood up against the business depression better than any investment except government and municipal. The New England Mutual, he said, entered the public utility field at an early date and their bonds show a handsome advance over cost. Many are being called at considerable premium, the New England Mutual making a profit of \$375,000 from this source in 1931.

Mortgage loans are all on business property located in the best districts of various cities and are generally on properties having a larger value in the land

than in the improvement. That means that depletion and obsolescence are not as important factors as when the major portion of the security is in the building. Furthermore, in the event of foreclosure, very little has to be expended on improvement. Buildings are not much to look at, he said, but the handsome structures are the ones that have failed and the bonds against which are selling at anywhere from 20 to 50 cents.

In Chicago, the New England Mutual has been lending for 63 years and now has about \$20,000,000 of Chicago loans. There were two foreclosures in 1879, one in 1886 and three in 1901. There are now in process of foreclosure two loans, the first for thirty years. The earlier foreclosures were accomplished at a profit.

The New England Mutual has \$49,500,000 or 19 percent of its assets in railroad bonds. Railroads, he said, have had two poor years and as they have never had three poor years together, past experience would seem to point to a revival of business. Motor truck competition is over-emphasized, he declared. He quoted the bureau of railway economics as showing that railroads carried 77 percent of the traffic in 1928 as compared with 2 percent by motor trucks, electric railways and airplanes. That does not include private trucks.

"There will probably never be a time when a private right of way between important points will not be the cheapest mode of transportation," Mr. Barbey said. "The railroads were in fine condition when their traffic commenced to drop off and probably most of them could go for several years more without much added expense for maintenance."

Work Is Major Factor This Year

(CONTINUED FROM PAGE 3)

said, has sent more men "to the cleaners" and through bankruptcy than any other cause.

Next in importance he places knowing what is going on in one's agency. "General agents have lost a great deal of money for failing to do this," he said. "They can't find out by sitting down and talking to their agents." After these factors he places intensive prospecting, organized canvasses and other modern methods of obtaining production which are generally known and used successfully.

The Mutual Trust last year made gains in all departments and items, he said. In fact the company never has shown any minuses in its history. Mr. Olson reported that in January to date, business is 37 percent ahead of the same period last year.

"I think that business is really on the upgrade," he said. "Things are coming back stronger than ever. Just because a large number of people lost their shirts in the stock market is no sign that this country is going to remain in the slump indefinitely."

Frowns on Litigation

He stressed the importance of having as little litigation as possible. The legal department of the Mutual Trust is well in the background and there is little litigation over claims. Mr. Olson said in his judgment no company in America has so little litigation in the courts.

The meeting, which lasted three days, opened with a day's visit to the home office during which the general agents were familiarized with routine in various departments. President Olson spoke on the purposes and aims of the meeting. O. D. Olson, treasurer and counsel, spoke on the financial statement and investments; I. L. Grimes, secretary-

actuary, on the technical side and actuarial trends; Dr. A. A. Willander, medical director, on medical selection; C. E. Menor, chief underwriter, on co-operation between field and home office; F. Z. Beard, manager policy department, on routine of issuing policies; H. J. Nelson, manager first year department, on agency accounting; H. E. Johnson, assistant secretary, on premium and policy loan practices, and Raymond Olson, legal department, on legal phases.

Gives Recruiting Tips

C. W. Noble, agency director, was chairman the second day, Vice-president A. B. Slattengren giving a fine talk on recruiting agents. Finding men is one of the outstanding problems in home office and field, he said. It is necessary to maintain a steady stream of new men, to maintain a minimum production from them, to show increased production of new and old men alike and to strengthen the company and agency ties. There must be agency spirit and men should be selected who will fit in.

He said he doubted that general agents fully sense their duty in this respect; that they and their agents should become agency prospect conscious. There are many possibilities of getting new agents through old ones.

Mr. Slattengren set as two main qualifications for new appointees wide acquaintance and prestige. He held a brief for part-time men, saying that the business obtained from them is generally good and stays on the books. He finds they can be prepared a little better for full-time work than the average man who burns all his bridges and enters full-time at the start. He urged the endless chain system in finding new agents and recommended contests among agents to bring in agency prospects.

J. H. Ehn, district manager at Hartford, who has built a very large successful organization, being the company's leader last year and showing increases every month in the year, advised

appointment of district agents. He builds loyalty and agency spirit through three agency clubs which hold jollifications.

V. F. Pettrick, Milwaukee general agent, told of agency schools as a method of attracting man-power. He said the first qualification of a general agent is ability to go out and produce, himself; that men gravitate naturally to the general agent successful in personal production. The general agent should be the first on the job in the morning.

A. P. Gray, general agent appointed a year ago at Lansing in charge of most of the state, said agency plans must be rearranged to meet the depressed conditions, and no general agent can expect to do the normal things of the past and live through the depression.

Other speakers were Gilbert Knudtson, Los Angeles, manager Pacific department, on selecting agents; L. R. Lunoe, Boston, manager eastern department, on supervising agents; Mr. Noble on training new men. Vice-president Slattengren spoke again on business management of an agency. B. N. Woodson, executive assistant, was chairman the final day.

New officers of the Organization Club were installed: President, Israel Kaplan, general agent, Boston; vice-president, M. O. Solberg, general agent, Eau Claire, Wis., and secretary, Mr. Woodson.

\$1,000 to \$1,600

Ordinary Life Insurance at An Average Cost GUARANTEED OF ONLY \$14.00 per \$1,000

ALL PREMIUMS RETURNED

in addition to face of policy in event death before age 60

FULL FACE THEREAFTER AND PREMIUM REDUCED 20%

Original cost, age thirty, \$21.40 per \$1,000 to age 59; \$17.19 per \$1,000 thereafter

If you reside in Ohio, Illinois, Indiana, Kentucky, Louisiana, Pennsylvania, Tennessee, West Virginia or the District of Columbia.

This is one of many unique contracts issued by

Write for Sample and Particulars

Federal Union Life

FRANK M. PETERS, President
 Cincinnati, Ohio

Wanted!
GENERAL AGENTS

in
 Illinois, Missouri
 and Kansas

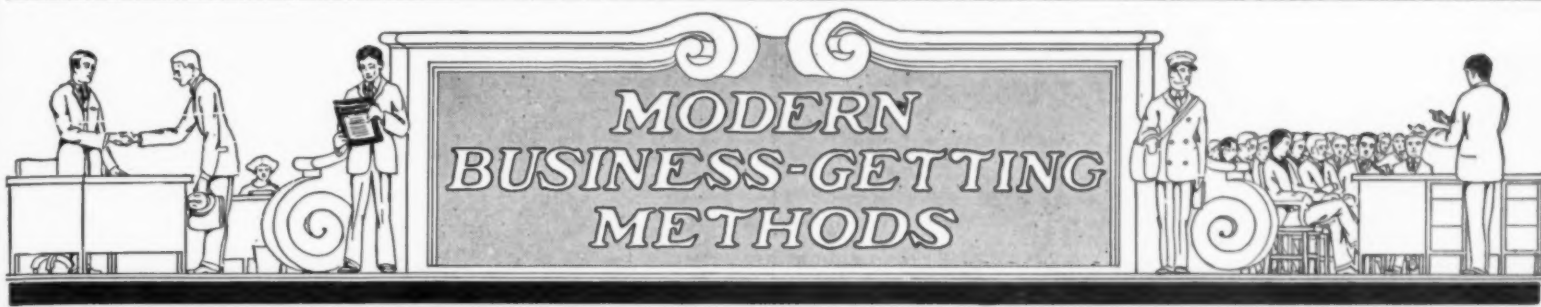
St. Louis Mutual Life Insurance Company

Originally Incorporated 1857

3640 Washington Blvd. St. Louis, Mo.

To Mortgage Investment Departments:

Man, 42, at present executive officer of successful mortgage house, full knowledge all phases mortgage loans; 13 years experience in passing mortgage credits, servicing and management; for personal reasons desires connection with Insurance Company. College graduate and legal training. Would locate anywhere. Address U-80, The National Underwriter.



J. E. Bragg Gives Agents Some Practical Points on Getting At Real Needs of Their Prospects

By E. C. BEHNKE

Approximately 400 life men attended the annual Indiana Insurance Day at Indianapolis Tuesday. The life session this year witnessed an innovation, in that it was a one-man lecture. This was a sales school presented by James Elton Bragg, director of life insurance training course, School of Commerce, New York University.

In this sales school, Mr. Bragg used much of the regular study material of the course. The most remarkable thing about it is, what is called by some educators, its "discouraging simplicity." That this phrase does not apply universally is attested by the fact that, though Mr. Bragg's program was for five 50-minute periods, which was interrupted twice to allow two other scheduled speakers to take the stage, both his morning and afternoon programs were delivered to capacity audiences of approximately 500 life underwriters, men and women.

Mr. Bragg says that the life salesman

is a professional counselor who is bringing a worth while service to the attention of people in need of the service. To become a real success, the agent must be a combination of executive and executor. He must constantly guard against spending all of his time in misdirected effort. As Mr. Bragg said he did not hold to the common belief that plain hard work was the key to success. Rather, in his opinion, planned, happy work is the answer. He gave accent to this statement by the use of the first of several chalk talks. He drew a triangle on a blackboard. On one side of this he wrote the word "plan," on another, "do" and on the third, "manage." In the panel of the triangle he wrote these three words: "Sell, Service, Conserve."

Without a plan no man can hope to get anything like the best results from his efforts. If he doesn't carry out his plans they are of course nullified. Management is the controlling force.

The next problem confronted by the

agent is winning the confidence of his prospect, at least getting him enough interested to hear what the salesman has to say. Then comes the actual job of selling. One has made his plan; has a program prepared or proposal for the prospect, making sure that the program fits his needs. Make sure that the presentation is attuned to his financial ability and mental capacity. One must prove that his proposition fills the prospect's needs. Make it as attractive as possible, not forgetting the intellectual appeal. Make him want—"thirst" for it.

There are two sides to every prospect; reason and feeling. You can appeal to his reason side by showing him how life insurance can be made to perpetuate creature comforts. If you will create a desire for it, making it attractive and real, you will have made headway toward winning over the reason side of the man. The feeling side of him is a little harder to conquer, and your problem here is with the individual.

Explanation Should Be Made As Simple as Possible

To make life insurance real to the prospect, make your explanation as simple as you can. Mr. Bragg showed how this can be done in the second of his chalk talks. He compared life insurance to a lake, or a sea. On this lake were a number of small boats, each

carrying father, mother and a boy or girl. Next he sketched in three dragons. Occasionally one of these dragons reaches up and snatches away one of the fathers. Mother must then move over and take dad's place at the oars. It is a pretty tough assignment for the mother. She must continue with her own work of taking care of the children and must now also do daddy's work. These three dragons were named Death, Disability and Old Age.

Mr. Bragg said: "We must all die some time. If we don't die, Old Age is going to get us. The third menace, Disability, is apt to overtake us any time. Eventually people tired of this. They threw their lots together and got one big boat, which will hold hundreds of thousands of people. Then, though the dragons continue to take a daddy once in a while, the loss of one does not cause quite the tragedy as of old. Another oarsman takes his place."

Mr. Bragg explained that this was the way one life man answered his four-year old daughter when she asked him what he did all day. It is childishly simple, of course, but the very fact that it is simple has given a number of sophisticated business men a new picture of life insurance and led to apps.

Life insurance is the only means by which a man can create an estate before he has time to earn it. In other savings

If you want to represent a company offering...

quick service
fair dealing
personal attention
active help
home office cooperation
attractive policies
practical suggestions

you need not look farther. The Shenandoah Life offers all these attractive features. Write Charles E. Ward, agency manager.

R. H. ANGELL
President

E. LEE TRINKLE
Vice-Pres.

W. L. ANDREWS
Sec'y-Treas.

SHENANDOAH

LIFE INSURANCE COMPANY

ROANOKE, VIRGINIA

Start the Year with the Dependable

DALLWIG POLICY AND COMMISSION RECORD

For Years the Recognized Standard Register for the Life Underwriter

FACE THE FACTS!

What policy plans have you written?	How much have you earned in first year commissions?
Who have you written?	How much in renewal commissions?
How much have you written?	Whose birthday is today?
How much in premium amount?	Whose age changes today?
How much outstanding on notes?	

The Dallwig Record Answers All These Questions!



Your Own Name in Gold on the front cover of your binder.

P. G. DALLWIG, Inc.
No. 1 La Salle St., Chicago, Ill.

Please send at once pamphlet describing the DALLWIG RECORD together with price, sample sheet and instructions for using.

Name (Please print).....

Street

CityState.....

NU-1-22-32

plans, he must live and retain his earning power to create an estate. There is also the other problem of continuing the plan. Life insurance is a self-completing savings plan.

People buy because of one of three things: they want, need, or can use profitably the commodity offered. They want such things as automobiles, radios, etc. To satisfy these wants, they must be able to pay for them without using up funds for things they need. While life insurance most certainly comes under the "needs" heading, it is the agent's job to make them want it.

To sell a man something that he can use profitably one must show him how he can adapt what is offered to his personal or business profit. This is done best through a regular sales talk utilizing simple, direct statements of fact that through life insurance the prospect can accomplish something of profit to him.

The way to find out why a prospect needs life insurance is answered pretty conclusively by a definition of life insurance as money for future delivery to some designated person at some specified date in the future, whether one lives or dies, after one or two premiums have been paid. Learn why a man needs money for future delivery, why he would want money if he dies.

Dial Illustration Used to Demonstrate the Point

To help their students get this information from their prospects, the N. Y. U. has designed a chart. This is in dial form. An inner circle is drawn which represents the prospect. Circles form a ring around this pivotal point. In these circles the word "Family" appears in one, "aged mother" in another, followed in order by "other dependents," "estate," "business or vocation," "creditors," "government" and "miscellaneous."

By using this chart in interviews the agent is able to get a picture of the prospect in his relationship to others. Every item on the chart appeals to the emotional life of the prospect. Students of N. Y. U. use this chart in their approach. They have a rather elaborate one, in colors, which is placed before prospects. Mr. Bragg said that for his own use in soliciting, he preferred making the sketch as the interview progressed. His plan is to get the picture of the man in advance, so far as it concerns his relationships with others. The prospect is interested in anything affecting himself and also as that thing that affects others with whom he is closely associated.

The agent's problem is to focus the prospect's attention on money problems. Money may be needed in the future for anyone of the items enumerated on the chart. Then point out that this money must come from some outside source. The finest form of salesmanship is leading prospect to buy because of his own thinking, Mr. Bragg said.

Interesting Observations Made on Prospecting

On the question of prospecting Mr. Bragg also had some interesting observations. He said that it is easy to get names and addresses of people. Any stranger can move into a city and in a short time an agent can have more names and addresses of people than he can see in a year. The name and address are important. That's obvious. Real prospecting is getting information of a man's problems and then establishing contact. Again the chart comes in handy. An agent can go to a satisfied policyholder and with the chart as a clue and a guide to the information he wants, get a picture of the man's problems and hopes for the future. The items in the outer circles of the ring, "Family," etc., serve as an information guide. He can ask about the man's wife, her type, etc., children, how the prospect feels about family, his other dependents, etc.

Every well-rounded sales presentation has three points: 1) Money Relation-

ship; 2) Liabilities; 3) Desires. Why does a prospect need life insurance? Why does he need money? His needs for life insurance in the event of death arise out of his relationship with other people and his interest in that relationship. Get this information and the salesman can enlighten his prospect with the full force of impact of fact.

Mr. Bragg asserted that the difficulty with much of the sales literature is that the prospect is regarded as Mr. and not as an individual. This has as a consequence crept into the sales presentation of many agents. To get maximum results from effort expended the presentation must be fitted to the various types of people. There are all sorts of mental types. There is the man who will listen attentively when one tells him about his moral obligations as a family man. There are others whom he must literally browbeat into heeding a message. Fit the analysis of the case to the prospect's habits of thinking and of living. Select the one thing he needs most and center on that.

Do an Imperfect Thing Rather Than Nothing

It is better to do an imperfect thing than to sit idle dreaming of the perfect plan, Mr. Bragg said. Don't neglect a man just because he can't buy a perfect program today. He told of personal experiences with a number of people in New York who had started out with only two policies with him. One was a \$2,500 clean-up fund and the other for an amount in the neighborhood of \$6,000 to pay an income to the wife for five years to enable her to live as she had become accustomed to for that period. He quoted as a favorite expression when working for this policy: "Give your wife five years' notice that she must go to work." These programs started so modestly have, as the policyholders progressed, been added to, both as to monthly income and payment period. The clean-up policies have also grown in proportion to the individual's growth and new responsibilities, until they have become the perfect program.

Try to get the picture of the prospect's life as he is living it, not as one thinks he should live. In this period Mr. Bragg again made use of the dial chart with the addition of another item—the future "you."

Here Mr. Bragg started on another chart which he suggested that interested people copy. He recommended it as a wonderful memory training course, in that it helps the agent to get a true picture of how life insurance will supply needs of his prospect if he lives, or dies. In the center of this chart appeared the word "Needs." A line extending to the left led to the word "die" and one to the right to the word "live." Under each of these words he showed the need for life insurance. Death needs, he divided into these groups: Death debts (he suggested that it be called something else when talking to prospect); maintenance of home and family; maintenance of other dependents; education; safeguarding business interests; bequests.

Here again Mr. Bragg warned about the difference in the mental capacity of people. He said that every prospect should be told all of this, but the dose should be governed by the man's ability to understand.

Each of the six groups in the chart are then broken down into others as follows: Death debts: (self) funeral, cemetery, last illness expenses; creditors—current bills, formal liability (notes, endorsements, contracts); estate—cost of administration (sub-divide) depreciation; government—Federal estate tax, state estate tax, state inheritance tax, state transfer tax, outside or accrued federal income tax, outstanding state, city or county taxes. Family: mortgages—shock absorber or readjustment fund. This is to take care of emergencies, illness, etc. The family must adjust itself to new standard of living but the shock absorber fund enables them to make the change in easy stages. Mr. Bragg said

he had often used this simple illustration with telling effect in going after such policies: He makes a sketch depicting his prospect and family as living on the 15th floor of an apartment building. The prospect dies and his family must move to the fourth floor. He asks the prospect if he would expect his family to jump from the 15th floor to the fourth floor. Then he shows him, emphasized by drawing in a set of steps, how life insurance makes the gradual descent a gradual one. Maintenance of home and family essential needs are food, clothing, home, nursing care. Maintaining the standard of living would also take in recreation and unforeseen emergencies. Get the prospect to estimate how much money and for how long a period he wants to continue his salary if he is taken from the picture.

Maintenance of other dependents; same as for home and family. Education: of children (fundamental)—vocational training for wife or other dependent. Much life insurance can be sold through this appeal, Mr. Bragg asserted, especially in the smaller program cases.

Safeguarding business interests: Liquidate or maintain. If you die you can do one of three things with your business; give it away, have it maintained, or liquidate. Through life insurance the prospect can maintain or liquidate his business profitably.

Bequests: Many college men who have made a signal success in life and have a real sense of loyalty tinged with a certain amount of gratitude, will be willing to take out \$5,000 policies to establish a scholarship either in their own name or another's, perhaps their mother's. Many church goers of modest means will gladly take out \$1,000 policies on their own lives, naming their church beneficiary.

Next Mr. Bragg continued his chart by showing the needs for life insurance if policyholder lives beyond his normal business life. He would need money for emergencies during life time. This might take the form of affecting health or welfare of self or family. It enables the business man to hold on.

Income for Retirement Should Be Provided

Income for retirement: Capital (or credit). This is needed for the advancement of plans in life. Invite him to tell you his autobiography and day dream out loud with you. If you can get really interested in your man and his plans he will give you this information.

Income in event of disability: Mr. Bragg expressed sorrow that companies had found it necessary to make the changes in disability that most of them have. He feels that an economic death is often worse than an actual death.

He said: "As a by-product of the things we sell life insurance to do, we cover other contingencies which do not lend themselves to numerical measurement. They are nurtured through life insurance. For instance: Life insurance to provide for wife and family contribute peace of mind, better health and longer life. Annuitants live longer because they are free from mental anxiety which affects their health. It gives them the privilege of staying together and enjoying one another. It allows them to stay with their friends; to maintain their social position. It continues the proper environment for children. It relieves children from the moral obligation of supporting their mother. The man who buys life insurance does something for himself. He develops thrift in its broadest sense. This builds something hard to describe in a man—call it character of the highest sort."

Readjustment of Disability Clauses Still Continuing

(CONTINUED FROM PAGE 5)

made a number of changes in its disability benefits effective March 1, and in its underwriting rules, effective Feb. 1. Monthly income per \$1,000 is re-

duced from \$10 to \$5 and premiums will be adjusted so the new rates for the \$5 clause will be approximately 73 percent of the present scale for the \$10 clause. Waiting period is being extended to six months with no payment for the first five months, and payments will be dated back only six months instead of 12, as at present.

Disability to be compensable must occur before age 55 rather than 60 as at present for the income clause, and before age 60 for waiver of premium. Disability payments will cease at maturity of endowment.

Regarding underwriting rules, income disability will be issued to male Caucasian risks only, except as restricted by occupation. Women will be accepted for waiver only at double male rates, and then only if unmarried, self-supporting and leaving home daily for work; terminating on marriage. Income disability will not be issued on non-medical.

Maximum Is \$25,000

Minimum income acceptable after the new \$5 clause becomes effective will be \$15 and maximum amount of income \$125, fixing minimum and maximum insurance limits at \$3,000 and \$25,000. The maximum disability income in all companies must not exceed \$500 a month.

Age limits for the income benefit are 18-50, inclusive, and for waiver of premium only, 15-55, inclusive. Applicant must have earned income from a full-time salaried position, or income from a definitely established business of a character which requires his personal full-time service. Steady employment with a good past record is essential. Income disability will not be issued to farmers, ranchers and students, who will be eligible only for waiver at 1½ times standard rates.

Strict Underwriting Rules

The Oregon Mutual will scrutinize every risk for family history of tuberculosis, insanity and apoplexy; personal history of tuberculosis, nervousness, rheumatism, arthritis, goitre and abdominal disorders; drinking habits, home and work environment, claim history and tendency to minor injuries or illnesses which might make the risk uninsurable for accident and health although eligible for life insurance. Income disability will be limited to 50 percent of earned income.

Following extended discussions by actuaries, life companies operating in Canada either are discounting the disability clause or preparing to change the terms radically. While the Travelers and the Metropolitan already have dropped the disability benefit in Canada, most companies are reserving their action until Feb. 1, and meanwhile there is a general campaign to round up all possible business.

American Life, Denver

The American Life of Denver effective Jan. 1 changed its disability rules and practices, however retaining the income clause of \$10 per month per \$1,000. Rules for the income clause are: Disability must occur prior to age 55 instead of 60; waiting period increased to eight months instead of six; farmers, farm hands, and laborers not eligible, nor are single and married women; 50 is maximum age at which the benefit may be obtained; monthly income not paid beyond age 70 or beyond end of endowment period; monthly income benefits not granted unless amount applied for on present application is at least \$1,500, unless other insurance is already in force in the company with monthly income disability benefits; standard rates for income benefit remain the same.

In regard to waiver of premium, the rules are: Disability must occur prior to age 60 in males and 55 in females; waiting period increased to eight months; both single and married women eligible; farmers and farm hands charged a medium rate; age 50 maximum at which the benefit may be obtained; standard rates remain the same.